CAMP

REPORT TO THE
MUNICIPALITY OF METROPOLITAN TORONTO

AN INTEGRATED ECONOMIC DEVELOPMENT
MARKETING PLAN

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MUNICIPALITY OF METROPOLITAN TORONTO

AN INTEGRATED ECONOMIC DEVELOPMENT MARKETING PLAN

PREPARED BY:

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in cooperation with

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and

MEDIA BUYING SERVICES LIMITED

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EXECUTIVE SUMMARY

BACKGROUND

In order to further business development in Metro, Council has committed itself to three goals. These have been expressed in terms of increased jobs, increased assessment, and a reversal of prevailing negative attitudes between municipal government and the private sector.

Metro Council has determined that increases in tourism and business development activities in Metro could impact positively on these goals. These two sectors were identified as complementary and overlapping, primarily because success on either front depended upon increasing awareness of Metro and developing positive attitudes towards it, among both Metro residents and those who lived beyond Metro.

Therefore, in mid-1982, Metro Council engaged Camp Associates Advertising Limited to prepare an integrated tourism/business development marketing plan. The plan was to outline how the benefits of Metro, as a "desirable location for investment and convention and visitor destination", should be communicated to both the internal Toronto market and to the external market. The recommended communication package was to include an appropriate mix of information sending mechanisms -- advertising, public relations, promotion and direct sales -- as well as market research initiatives aimed at gathering information for evaluation purposes. Development of a logo, accompanied by a memorable, straightforward and flexible theme, was central to CAMP's mandate.

The most conspicuous and -- eventually -- most publicly visible aspect of CAMP's work is the theme and logo. These creative efforts were backed by extensive research including interviews with experts and focus groups. A summary of the findings with respect to tourism and business development will be presented below; the general conclusion in each area, however, was that a well-funded and well-directed marketing effort was required for Metro to hold its ground, let alone progress.

TOURISM

(a) Problems and Opportunities

Tourism is a major industry and vital contributor to the economy on the national, provincial and Metro levels. However, the Canadian tourism industry has not kept pace with global growth and Metro has suffered similarly.

Vigorous tourism promotion programs, led by the fantastically successful "I Love New York" campaign, have sprung up across North America and the competition for the hearts, minds and pocketbooks of tourists is rampant. In many cases, cities such as San Francisco, Los Angeles and Atlanta have increased their budgets to the $4 - $5 million level. In order to compete successfully, Metro must have an appeal which stands out and support it with sufficient resources to make it heard above the competitive noise.

Current federal and provincial tourism initiatives support, but at the same time compete with, Metro's objectives. Both governments do promote Metro, albeit not with a consistent image or identity. However, they are also obliged to provide exposure to other lesser known destinations, thereby drawing attention away from Metro. In Metro, the Metropolitan Toronto Convention and Visitors Association (MTCVA) is the only agency charged with developing visitor and convention business. Its efforts have been commendable, but it is hamstrung by inadequate budgets, a static level of staffing, a severely limited consumer co-op advertising program, and insufficient quantities of promotional material (available only on demand).

(b) **The Market and Its Perceptions**

Ontarians constitute the majority of Metro visitors but spend less, proportionally, than other groups. The logical emphasis with this market should be to protect existing market share. The bulk of promotional resources should be pumped into the U.S. market. The primary American market is large: 30 - 40 million people concentrated within a day's drive of Toronto. As well, Americans account for a greater proportion of tourism spending than their numbers would imply. The other provinces and overseas countries provide small numbers of highly profitable visits. However, aside from Quebec, the markets are too diffuse to be tackled efficiently.

The attitudes of the Americans who constitute the major market were investigated through focus groups with New Yorkers. The results were the most dramatic

and, at the same time, disturbing, of the entire tourism research effort. Participants had not the vaguest notion of what Toronto was and what it had to offer. It was a non-entity, existing in a shadow of publicity cast by Montreal and Quebec City. Respondents regarded it as difficult to reach, and not particularly worth visiting in any event. Several suggested that they could "see the town" in a morning or a day. Metro was a city that had not been discovered, implying a great deal of work ahead but also a great opportunity. A further finding of research with the external market was that 'Metro' as separated from 'Toronto' was seen by consumers as an unnecessary legal or political distinction, and one which should not be made in the communication program.

Therefore, CAMP research revealed not a gap but a chasm between perception and reality of Metro, at least in the sample of the external market. Every available resource is needed to educate Americans about Toronto.

Fortunately, research with the internal market indicated highly positive attitudes -- Metro residents consistently demonstrated a quiet pride in their city, stressing its cleanliness, safety, diversity and conservatism. There is no need to sell the internal market on Metro, but rather to reinforce existing perceptions. It is important to note that the benefits of civic pride, safety and cleanliness -- which make Metro a joy to live in -- do not draw tourists. The discovery of fun and excitement is a more enticing message. The research also revealed opportunities in offering "package" deals to specific markets, such as those interested in culture.

BUSINESS DEVELOPMENT

(a) Problems and Opportunities

A vigorous business development program for Metro is needed from a defensive as well as an offensive point of view. Not only is competition from other centres strong and heating up, but the goal of several U.S. cities is to draw business out of Ontario and, specifically, Toronto.

As in the tourism area, federal and provincial programs offer a double edged sword, both supporting and competing with Metro. At the local level, the various municipal governments pursue business development to varying degrees. The programs are not coordinated, and the advertising and promotion budgets are clearly insufficient. The Toronto Area Industrial Development Board has been the closest approximation to the "one window shopping" concept of business development which is critical to Metro. However, this body has become "a victim of the recession" and is in the process of being dissolved. The Board of Trade, while concerned with business development, can appropriately act in an advisory capacity only. In summary, the various local initiatives are scattered and inadequate. Increased resource allocation to business development is required. Equally -- or more importantly -- however, a structural reorganization to centralize Metro business development activities and present an identifiable image to the public is critical. Otherwise, there is no body apparently able to implement the marketing plan on the business development side.

(b) The Market and Its Perceptions

The market for the business development message is much more easily defined than the tourism market. The internal market is clearly the business people of Metro who are involved in determining the locational policies of their own companies and who influence the opinions of business people in the external market. The external market with greatest potential is high-level business executives in North America, primarily the U.S.

The major finding of CAMP's research with respect to the internal market was that the negative business-government attitude identified in previous studies conducted by Metro was very real. Local governments were viewed as anti-business and obstructive to development and, although the business people involved were strong advocates of Metro as a "great place to live", some could envision recommending relocation of their own companies.

With respect to the external market, major problems were identified with FIRA. Additionally, the Canadian labour force was perceived as costly and disruptive, and Canada was seen as a poor choice of country to invest in. Overall, Toronto was viewed positively, but its being located in Canada knocked it out of the running. Although Metro cannot change some of the negatives expressed, the existence of these points of view makes it all the more important to project the positive attributes of the city.

Marketing Metro Toronto as a business development centre has more inherent problems than marketing it as a tourism destination. Business location decisions are long term and, because they are made infrequently, each sale is tougher. Negative attitudes of the local business people must be overcome to ensure retention of existing business and to inspire positive word of mouth -- thereby implying that the internal market is comparatively far more important in the business development side than in the tourism side. Finally, Metro Toronto had no serious drawbacks as a tourist destination but does have tangible problems as a business development centre.

PROGRAM EVALUATION

Metro Council is particularly concerned with evaluating the results of the marketing plan, in order to measure the return on its investment. Unfortunately, there are inherent difficulties in assessing the impact on the major goals of jobs, assessment and attitudes. Firstly, these areas are shaped by many forces and the effect of an isolated communication program is difficult to measure; secondly, results -- especially on the business development side -- are expected to be long, rather than short term; and thirdly, inadequate baseline data exists.

In the face of these difficulties, CAMP has placed importance on research to pre-test concepts and copy platforms to ensure their effectiveness before they are implemented. In terms of evaluation, direct measures such as "800 line" (TOLL-FREE) calls and monitoring of information requests are also recommended. In light of Council's expressed interest in evaluation, additional techniques are described in Chapter Five for the client's consideration.

SUMMARY OF MAJOR RECOMMENDATIONS

The central thrust of the entire marketing plan should be increasing awareness of and developing positive attitudes towards Metro Toronto. The major recommendations of the report address the key areas of the marketing plan, central to meeting that objective: the product, the market, and the overall direction of the communication package. As well, a structural recommendation has been included as a necessary prerequisite to implementing the plan.

Recommendation 1: Structural

IT IS RECOMMENDED THAT METROPOLITAN TORONTO ESTABLISH THE APPROPRIATE ORGANIZATION TO UNDERTAKE AND COORDINATE BOTH THE BUSINESS DEVELOPMENT AND TOURISM DEVELOPMENT RECOMMENDATIONS OF THE MARKETING PLAN, PROVIDING FOR A METRO-ORIENTED, EFFICIENT, CONSISTENT AND COST-EFFECTIVE APPROACH TO FULFILLING METRO COUNCIL'S ECONOMIC DEVELOPMENT GOALS. DETAILS OF SUCH AN ORGANIZATION WOULD HAVE TO BE DEVELOPED BASED ON FURTHER DISCUSSION WITH THE AGENCIES INVOLVED.

Recommendation 2: Product

IT IS RECOMMENDED THAT THE PRODUCT -- METRO TORONTO -- BE PORTRAYED THROUGH THE SLOGAN "TORONTO -- DISCOVER THE FEELING."

THE MUNICIPALITY OF METROPOLITAN TORONTO

The coloured version of this logo is located
on the page following 104

Recommendation 3: Market

3 (a): Internal Market

ON THE TOURISM SIDE, IT IS RECOMMENDED THAT A MINIMUM OF RESOURCES BE ALLOCATED TOWARDS REINFORCING ALREADY POSITIVE ATTITUDES OF METRO RESIDENTS; ON THE BUSINESS DEVELOPMENT SIDE, INCREASED EMPHASIS ON THE INTERNAL MARKET IS RECOMMENDED, IN ORDER TO IMPROVE THIS MARKET'S ATTITUDES TOWARDS GOVERNMENT AND BECAUSE OF THIS MARKET'S IMPORTANT ROLE IN DETERMINING RETENTION OF EXISTING BUSINESS AND INFLUENCING THE ATTRACTION OF NEW BUSINESS.

3 (b): External Market

ON THE TOURISM SIDE, IT IS RECOMMENDED THAT THE AMERICAN STATES WITHIN A DAY'S DRIVE OF METRO BE THE PRIMARY EXTERNAL TARGET MARKET, WITH SECONDARY EMPHASIS ON THE QUEBEC MARKET. ON THE BUSINESS DEVELOPMENT SIDE, THE RECOMMENDED EXTERNAL MARKET IS NORTH AMERICAN TOP LEVEL BUSINESS EXECUTIVES, CEO'S, PRESIDENTS, OWNERS/PARTNERS, AND SECOND LEVEL MANAGEMENT INVOLVED IN DECISION MAKING.

Recommendation 4: Communications - Information Dissemination Mechanisms

IT IS RECOMMENDED THAT THE EMPHASIS IN THE TOURISM AREA WILL BE ON ADVERTISING IN THE U.S. MARKETS WITHIN A DAY'S DRIVE OF METRO AND IN SELECTED MARKETS IN QUEBEC AND ONTARIO, WITH ADDITIONAL DIRECT SALES EFFORTS IN THE POTENTIAL MARKETS JUST REFERRED TO.

WITHIN METRO, EXISTING POSITIVE ATTITUDES WOULD BE REINFORCED THROUGH A LIMITED PROMOTIONAL, PUBLIC RELATIONS AND ADVERTISING CAMPAIGN.

IN THE BUSINESS DEVELOPMENT AREA, THE PROGRAM WOULD CONCENTRATE INITIALLY ON PROMOTION AND PUBLIC RELATIONS INITIATIVES INCLUDING FACE-TO-FACE CONTACT WITH METRO GOVERNMENT AND EXISTING BUSINESS AND INDUSTRY WITHIN METRO TO DEVELOP POSITIVE ATTITUDES AND PREVENT RELOCATION. IN ADDITION, PROSPECTIVE INVESTORS AND COMPANIES CONSIDERING LOCATING IN CANADA WOULD BE REACHED THROUGH A LIMITED ADVERTISING PROGRAM IN SELECTED U.S. PUBLICATIONS.

Recommendation 5: Communications - Market Research and Program Evaluation

IT IS RECOMMENDED THAT RESEARCH BE UNDERTAKEN FOR TWO SPECIFIC PURPOSES:

(1) **TO TEST AND REFINE CREATIVE CONCEPTS AND SPECIFIC COPY PLATFORMS TO BE USED IN THE ADVERTISING CAMPAIGNS FOR BOTH BUSINESS DEVELOPMENT AND TOURISM. FOR CONCEPT TESTING A SERIES OF FOCUS GROUPS IS RECOMMENDED.**

(2) **TO EVALUATE THE SUCCESS OF THE RESPECTIVE TOURISM AND BUSINESS DEVELOPMENT INITIATIVES.**

Should Metro decide that evaluating the programs is required, the following should be considered: pre and post campaign attitude surveys; tracking of specific programs; and monitoring of 800 line phone calls, information requests and relevant data now collected.

DETAILED TOURISM AND BUSINESS DEVELOPMENT RECOMMENDATIONS

Chapters 7 and 8 of the report elaborate on how the major communication recommendations should be implemented in the specific areas of tourism and business development.

(a) Tourism

The major focus of the communication package is an awareness advertising campaign. In addition, development and promotion of packages is recommended along with convention advertisements and a travel trade insert. A public launch of the new campaign and widespread adoption of the theme are also recommended in the context of public relations.

Finally, an audio visual, a new poster and a lure brochure are suggested in terms of promotion. An 800 line and continuation of MTCVA's direct sales initiatives are also advocated.

(b) Business Development

The awareness advertising associated with business development is aimed at high level North American executives. It is to be supported by a "one window" resource centre, which would serve both the internal and external markets. It is recommended that the entire campaign -- which is composed of a wider range of more diverse initiatives than the tourism campaign -- be consistent, well coordinated and maintain an element of personal identification

with the Chairman of Metro. Involvement of the Board of Trade and senior Metro executives is key and initiatives should include specific efforts to generate more favourable perceptions of factors such as FIRA and the labour situation.

Specific public relations activities are to include development of the resource centre and audio visual material, a formal program launch, and newsletters to the internal and external markets. Promotional endeavours include literature preparation, organization of a "Toronto Conference", compilation of a business inventory, and creation of a Council of Senior Business Ambassadors. Finally, direct sales efforts would encompass seminars and trade show involvement.

The following two pages contain the summaries of the recommendations including the total costs for both the tourism and business development campaigns for fiscal 1984.

While the total costs for the business development programs may seem low in comparison with the tourism campaign, this is primarily due to the difficulty, at this time, of estimating the set-up costs of the recommended Resource Centre and associated programs.

SUMMARY OF 1984 TOURISM CAMPAIGN

RECOMMENDATIONS & COSTS

PROJECT ITEM	USE	ESTIMATED COST	TIME FRAME
1) Destination Awareness Advertising Campaign	to sell Metro Toronto as a tourism destination	placement $1,816,296.00 production 1984 • Original Music • Radio • Newspapers 431,432.00 • TV production for 1985 campaign Cost TOTAL $2,247,728.00	Production in 1983 place in Spring & fall of 1984
2) Package Ad Campaign (Radio & Newspaper)	advertising offering value package deals to tourists	placement (radio & newspaper) E. & FR. 783,970.00 Production* 14,260.00 TOTAL $ 798,230.00	production & distribution in fall & spring of 1984
3) Tourist Information Package including: - Vacation Packages - Guide Map - Discovery Guide - Happenings - Consumer brochure "Discover the Feeling"	consumer information guide in response to the campaigns	** $ 1,700.00 ** 4,750.00 ** 13,125.00 ** 6,000.00 (20,000 copies) 44,207.00 TOTAL $ 69,782.00 (excludes mailing)	production in 1983 initial distribution in 1984
3b) Additional Brochures for MTCVA	to alleviate current shortage of information requested from MTCVA	TOTAL $ 38,000.00	immediately
4) Convention Advertisement	to highlight Metro as a convention destination	placement $ 75,000.00 production -0-	distribution in 1984
5) Vacation Package Insert into Travel Trade Magazine	to advise the travel trade of available packages	placement $ 12,500.00 production 2,000.00 TOTAL $ 89,500.00	distribution in 1984
6) 800 Toll Free Telephone Lines	to encourage and track consumer inquiries	depends on # lines Accurate costing requires consultation with Bell Canada	installation in Spring of 1984
7) Poster	for use by travel agents, tour brokers, etc.	$ 20,000.00	1984
8) New Campaign Launch	to gain favourable media coverage	N/A	Spring 1984
9) Audio Visual	to sell Metro at travel trade shows, conventions & other promotions	$ 30,000.00	1984
TOTAL ***		$ 3,293,240.00	

* NOTE: Talent payments are excluded for radio commercial production estimate.
NOTE: All costs are ballpark estimates based on similar work done by Camp, and are subject to change based on layout and production requirements.

** NOTE: Based on a 10% increase of the current MTCVA print run.

*** NOTE: Some costs are not now available.

**** NOTE: Details of advertising projects #1, 2, 4, and 5, are included in Chapter 9.

SUMMARY OF 1984 BUSINESS DEVELOPMENT CAMPAIGN

RECOMMENDATIONS & ESTIMATED COSTS

PROJECT ITEM	USE		ESTIMATED COST*	TIME FRAME
1) Corporate Awareness Advertising Campaign	to increase awareness of Toronto among CEO's	placement	$ 203,846.00	1984
		production	9,794.00	
	see chapter 9 for media details	Total	$ 213,640.00	
2) Resource Centre	to function as a central office fielding inquiries, providing critical data and expert consultation to potential business prospects		N/A	1983
3) A/V	to portray Metro as a dynamic business centre - for use at the Resource Centre and seminars, etc.		$ 30,000.00	1984
4) Direct Mail Package Including:	to respond to inquiries resulting from the campaign			Production in 1983 for distribution in 1984
- Information Folder which will hold the following:		(5,000 copies)	9,716.00	
- Inventory of Existing Businesses	to provide a current picture to Metro"s business community	(20,000 copies)	Negligible	
- A Key Facts Document	to provide purely factual information to potential clients	(5,000 copies)	24,000.00	
- A Quick Marketing Reference	to provide an overview of Metro's relationship to the North American marketplace	(5,000 copies)	15,360.00	
- Corporate Lure Brochure	to highlight the advantages of doing business and living in Metro	(5,000 copies)	60,000.00	
- Newsletter	to update Metro residents and potential clients about Metro's programs	(20,000 copies)	45,360.00	
- Outreach Brochure	to introduce Metro and potential new business to the outreach programs	(20,000 copies)	7,416.00	
5) Toronto Conference	to attract renowned business and investment leaders to Metro		N/A	1984
6) Trade Shows	to showcase Metro's products and commercial scope		N/A	1984
7) Seminars	to directly sell Metro to carefully selected business audiences		N/A	1984
8) Public Launch of Resource Centre	to inform the buiness community of its resources and objectives		N/A	1984
TOTAL **			$ 405,492.00	

* Production costs are estimates only and are subject to change based on layout and production requirements.

** NOTE: Some costs are not now available as their computation depends on many yet undetermined factors.

*** Details of the projects are included in Chapter 8.

CHAPTER I

THE CHALLENGE

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THE CHALLENGE

BACKGROUND

In late 1979, the Metropolitan Council established a Steering Committee to develop an Economic Strategy for Metropolitan Toronto. The work of the Steering Committee resulted in the publication of "An Economic Development Strategy for Metropolitan Toronto" in November of 1980. The report, which was subsequently approved by Council in January of 1981, addressed three critical issues: JOBS, ASSESSMENT, and ATTITUDES. These issues were translated into major goals for Metro:

1. JOBS: "The primary goal must be the expansion of employment as well as retention of existing jobs."

2. ASSESSMENT: "The secondary goal must be the expansion of the assessment base of the municipalities."

3. ATTITUDES: "In order to begin the process of revitalization of the Metropolitan economy, it is essential that the prevailing negative attitude between municipal government and the private sector be replaced by a positive attitude."

While the third objective relating to attitudes was not an economic development goal per se, it was advanced as a prerequisite for achievement of the other two goals. As such, it is of equal, if not greater, importance.

The Steering Committee developed a number of recommendations to further its economic development goals. Specifically, the potential for development of the tourism and business sectors was noted. Consequently the Laventhol and Horwath Study of 1981 was undertaken to analyze the tourist and convention industry in Metro.

As a result of the various reports and initiatives which have been described, the Metro Council decided in mid 1982 to commission a marketing plan for development of tourism and business in Metro. The plan was to include design of a slogan and logo. In June of 1983, just prior to completion of the Marketing Plan and creative work, the Gardner Report, entitled "Industrial Development in Metropolitan Toronto", was released. This report called for development of the capacity to provide industrial consultancy and marketing activity both internal and external to Metro. This recommendation reinforced the need for the Marketing Plan, slogan, and logo which had been under development in concurrence with the Gardner Report.

CAMP MANDATE

CAMP was the agency chosen to develop the Marketing Plan and attendant creative material. The specific terms of the contract were:

> "To develop a theme with logo which would effectively project the many attributes that make Metropolitan Toronto a most desirable location for investment and a convention and visitor destination, and to develop a general marketing plan including cost estimates for its application."

Parameters of the project were outlined by Council:

1. The marketing plan was to address both internal and external promotion of Metro.

2. The theme was to be memorable, straightforward and flexible, in order that it could be effective in a variety of applications.

3. The theme was to be adaptable in order to appeal to three major target markets: the tourist market, the industrial development and corporate investment market, and the citizens of the community.

THE CHALLENGE OF A MARKETING PLAN

Before developing the marketing plan, CAMP had to come to grips with two fundamental issues. The first of these was a reconciliation of the two seemingly diverse applications of the plan: the tourism market and the business development market. The second major issue was the conceptualization of the components of a marketing plan which would be "selling a city" rather than a physical product.

Tourism and Business Development:
Complementary and Overlapping Sectors

Tourism and business development complement one another in their ability to satisfy Metro's economic development goals of increased jobs and assessment. The Economic Development Strategy document highlighted tourism as a component of business development, and quoted estimates that 10% of employment in Metro was supported by tourism expenditures. The Steering Committee pointed out that, due to the low amount of available land in Metro and the rising costs, "manufacturing employment (would) not be a major source of employment growth."

Rather, the Committee anticipated that the service sector would be the primary provider of employment growth in Metro, continuing a trend which had been evident over the past decade. Within the service sector, the Committee felt that the traditional, narrow view of economic development had meant that the potential for the tourist industry had been ignored. Following this up, the Economic Development Strategy stated:

> "The effective promotion of Metro as a tourist centre, both nationally and internationally, has the potential of creating an industry that in terms of direct employment and incomes surpasses the contribution of manufacturing to the Metro economy."

The first major link, therefore, between tourism and business development rests in the fact that tourism is indeed an industry, and one with an exciting potential for providing jobs and inviting the inflow of tourist dollars to Metro. The second major link relates to the overlapping nature of the markets for tourism and business development. As an executive involved with the tourism industry stated when participating in CAMP's research:

> "Business travellers really don't know what a great city it is . . . Working with conventions, we find a lot of people who say, 'I'd love to come back and bring my family. There's so much to do here, it's a great city, we'd love to see it.'"

Just as business travellers may return as tourists, tourists with business interests may develop a curiousity about Metro as a location for business investment. The common thread is that both business development and tourism grow out of an awareness of the area and its potential. Given this relationship, the importance of a consistent image in both business development and tourism campaigns is evident.

THE MARKETING PLAN

(a) How to Recognize Success

The first major step in developing a marketing plan is to define the overall goals; these goals then dictate how success of the plan will be evaluated. In the case of Metro's Marketing Plan, the end objectives were clearly defined in terms of JOBS, ASSESSMENT, and ATTITUDES. Measuring achievement in these areas will require benchmark and follow-up research; the nature of the research requirements will be discussed later. Two inherent difficulties in evaluating the effect of the marketing plan will be:

1. All three areas are affected by a range of diverse forces; the communication program developed as part of the marketing plan will be only one of these, and an isolated measurement of its specific effect will, therefore, tell but one part of the story. Given this limitation, however, it is certainly possible to quantify the effect of certain aspects of communication programs. The well-accepted documentation of a portion of the results of the "Ontario, Yours to Discover" campaign is outlined later in this report.

2. Return on investment involved with implementation of the marketing plan will be long term, particularly on the business development side.

An underlying assumption has been that success in achieving the economic development goals of jobs and assessment will follow from an increased awareness of Metro and what it has to offer. Therefore, a more readily quantifiable and short term goal for the marketing plan is proposed:

TO POSITIVELY INFLUENCE AWARENESS OF AND ATTITUDES TOWARDS METRO TORONTO AMONG THE SPECIFIED TARGET MARKETS.

Monitoring the achievement of this goal can be accomplished through recording 800 line calls, literature requests, and so on, as well as through pre- and post-testing of the markets.

(b) **Components of the Marketing Plan**

Having dealt with the goals of the marketing plan, the next step is to determine the POSITION which Metro would ideally occupy in the hearts and minds of the target audiences. Any marketing plan attempts to effect a match between a product and a market. Our product is Metro Toronto, but what is Metro Toronto? The qualities of the city can be expressed on a myriad of dimensions, depending upon whom you ask and what their perspective is. The most effective marketing plan will express the product in a way which captures and excites the audience.

For this reason, it is crucial to recognize that it is the perceptions of the market which are important, and to gain a full understanding of its positive and negative impressions.

In the Metro Marketing Plan, the product should be described so as to appeal to the "external" audiences: the tourism and business development markets. Later in this report, these markets will be more specifically defined. Of additional importance, however, is the "internal" market -- the citizens of Metro. Inclusion of this "internal" market in this plan is important for two reasons:

1. Torontonians act as "influencers" and each citizen has the potential of acting as a walking advertisement for Metro. This is particularly true on the business development side, where retention of current business and industry is a priority.

2. A major goal of the marketing plan is to effect a shift of attitude from negative to positive; again, this is particularly relevant on the business development side as pointed out by the Steering Committee itself. The Committee identified negative attitudes between municipal governments and business leaders as one of five significant adverse trends which had emerged in Metro over the past decade.

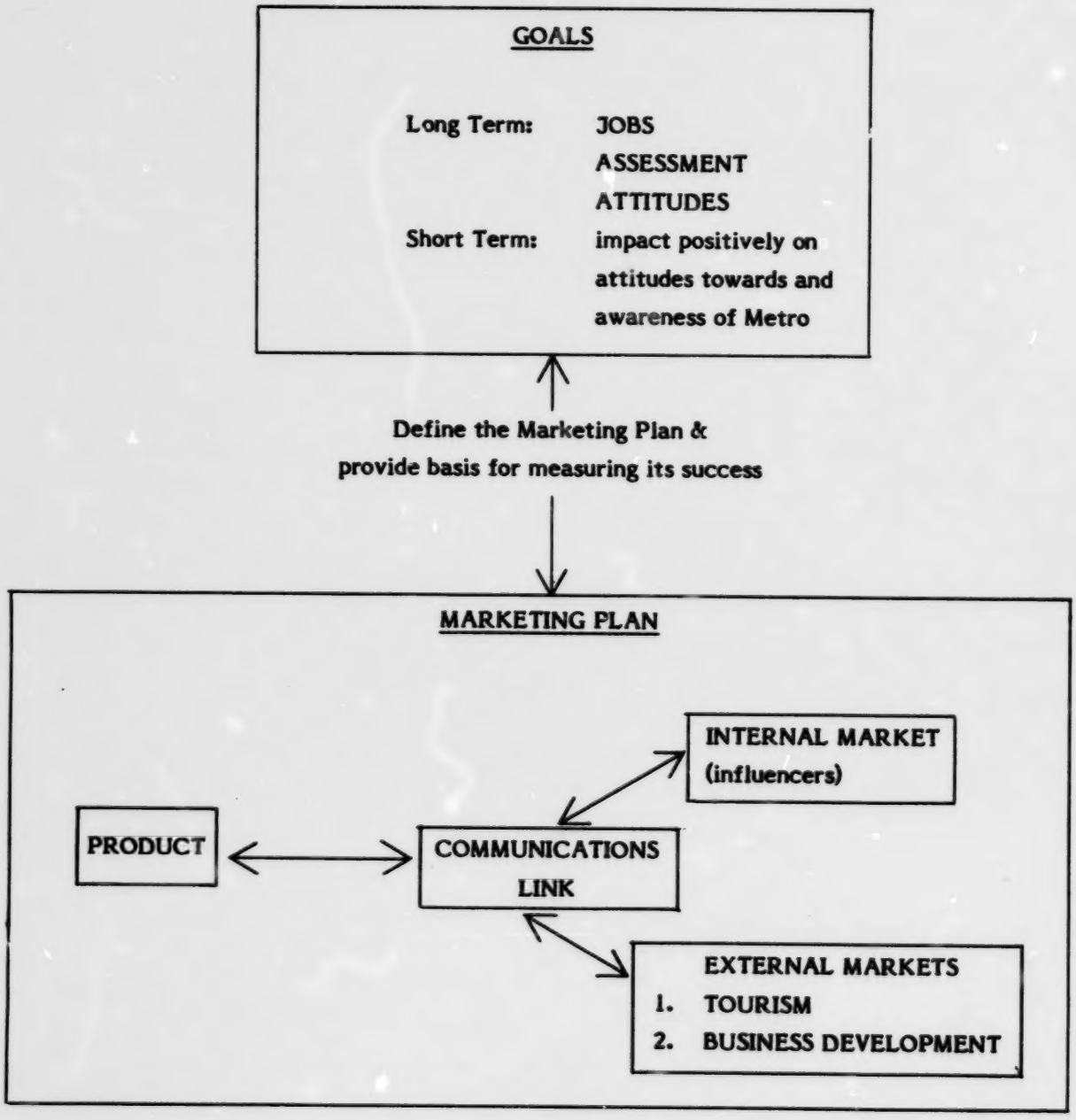
The mechanism for effecting the match between the product and market is communication. The communication package represents the final component of the marketing plan; Figure 1 illustrates the relationship of the various aspects. The communication package includes several important elements, which can be grouped as "information sending" or "information gathering":

	o	ADVERTISING
INFORMATION	o	PUBLIC RELATIONS
SENDING	o	PROMOTION
	o	DIRECT SALES
INFORMATION		
GATHERING	o	MARKET RESEARCH

FIGURE 1

CONCEPTUALIZATION OF A MARKETING PLAN

FOR METRO TORONTO



Market research serves to collect data which helps to define how the product should be most effectively portrayed to the market. The various "information sending" mechanisms are then used to communicate a consistent message. Market research is again employed to determine the effectiveness of the communication package in conveying the intended message and in achieving the overall goals.

Therefore, although the final product of CAMP's work is a communication package, including creative work, a good deal of research preceded development of this package.

CAMP'S RESEARCH

The major research initiative conducted by CAMP was a series of focus groups. The complete report has been placed on file with the Chairman's Office. The research had two primary objectives:

1. To determine how the internal and external target markets (tourism and business development) perceived the "product": Metro Toronto.

2. To test the creative aspects of the communication package, specifically the slogan and logo.

The research methodology of focus groups is a qualitative form of investigation, whereby groups of people representing a particular target market are brought together for a directed discussion. Although the research reflects only the opinions of those who took part, it is a recognized procedure for gathering in-depth information about a particular topic.

The first phase of the research, conducted between November 29, 1982 and January 7, 1983, involved Torontonians as representatives of the internal market and New Yorkers as representatives of the external market. Ten groups exemplified all possible combinations of target groups:

INTERNAL: (TORONTO)

(Six Groups)

TOURISM MARKET

- Upscale Males
- Upscale Females

BUSINESS DEVELOPMENT MARKET

- tourism executives
- real estate executives
- 2 groups of "general" executives

EXTERNAL: (NEW YORK)

(Four Groups)

TOURISM MARKET

- **males who had an auto vacation pattern including trips 500 miles from home**
- **females with same vacation pattern**

BUSINESS DEVELOPMENT MARKET

- **2 groups of "general" executives, assembled by the Ontario government office in New York**

While New Yorkers in general provided a "tough" audience, due to their familiarity with their own city, this was softened somewhat by the selection procedure for the groups. The tourism groups, by virtue of their travel patterns, and the business development groups, by virtue of their being known to the Ontario government office in New York, both had an open predisposition towards Ontario and, perhaps, Toronto.

In terms of measuring perceptions of Toronto, the results were generally consistent within the internal and external groups, respectively. The findings will be referred to frequently, as appropriate, in the body of this report.

In terms of evaluating the creative material, results were not as clear cut. For this reason, two additional mini-studies were conducted in late January and early February. The purpose of each mini-study was to further test refined creative approaches; four additional groups in Toronto -- two groups of men and two of women -- were involved with the mini-studies. The creative rationale refers to the results of the concept testing undertaken in the original focus groups and the mini-studies.

The focus group research, as was stated, was directed at gathering opinions from "consumers", or representatives of the target market. A second important research initiative undertaken by CAMP between November 16, 1982 and February 1, 1983, was in-depth interviewing of experts. Appendix I summarizes the list of individuals with whom interviews were conducted.

The major purpose of the expert interviews was to gain insight into the following areas:

1. The "environment" for tourism and business development in Metro; the status and importance of each area.

2. The current activities now in place to promote Metro in both sectors; federal, provincial and Metro initiatives were investigated.

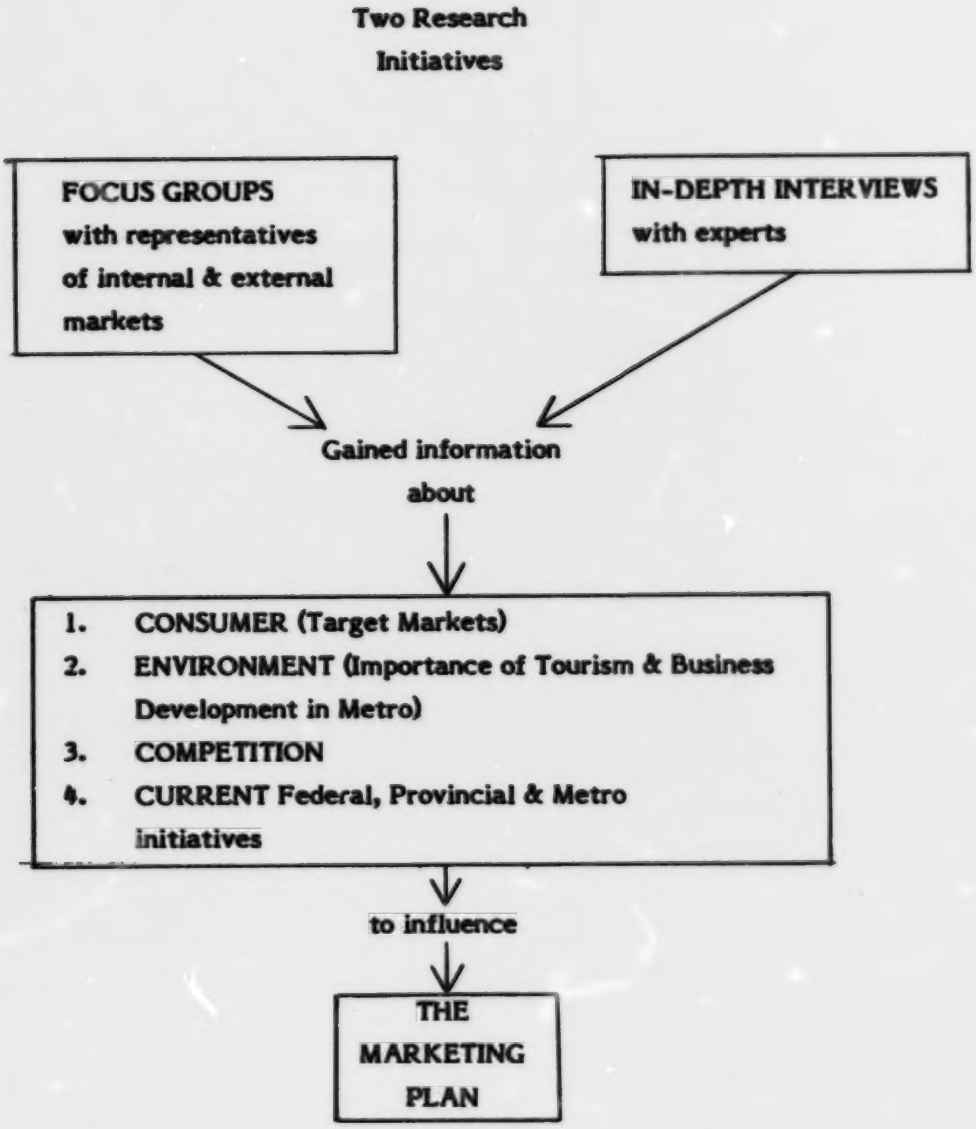
3. The competition.

In summary, a two pronged research effort was undertaken by CAMP to gather information about the important areas which influence a marketing plan. Figure 2 illustrates the research program. The balance of this report is devoted to outlining the findings of the research in the areas of tourism and business development, and to interpreting the data to devise the most appropriate marketing plan. The close relationship between tourism and business development has led to a group of common recommendations as well as recommendations appropriate to each specific area.

FIGURE 2

THE CONTRIBUTION OF RESEARCH

TO THE MARKETING PLAN



CHAPTER 2

TOURISM

CHAPTER 2

TOURISM

By the end of the century, tourism is expected to be the World's largest service industry*. Metro Toronto has not been alone in its recognition of the potential that this industry has to offer in terms of stimulating the economy and providing jobs. The competition for the hearts, minds and dollars of tourists has reached unprecedented levels of volume, urgency and expenditure. Everyone appears to want a larger share of this very profitable pie.

Metro Toronto must be prepared to enter the competition with increased force and vigour in order to protect, let alone enhance, its current position as Canada's single most popular tourist destination. The following analysis considers various dimensions of the tourism opportunity, with respect to Metro:

I. The industry: its status and importance
II. Current activities, by various levels of government, to promote tourism
III. The competition
IV. The Market
V. CAMP's Qualitative research results
VI. The product.

*International Air Transport Association (IATA) Study.

Each area of analysis points compellingly at the necessity of strengthening Metro's tourism marketing effort. The chapter concludes by outlining various marketing opportunities; specific recommendations are proposed in the seventh chapter of the report.

I. THE INDUSTRY

(a). Nationally*

The good news regarding tourism in Canada is that it is a strong industry and a vital contributor to the economy. The bad news is that development of the industry in this country has not kept pace with the global growth of tourism. This paradox led the Federal Assistant Deputy Ministry for the Canadian Government Office of Tourism to state, as part of a speech given this year, "Most countries are involved in promoting themselves... and contributing to their tourism development....Canada has to work even harder just to maintain its current market share, let alone increase it."

On the positive side of the ledger, the importance of tourism in Canada is exemplified by the following government statistics:

- Tourism's 1982 receipts of $16.5 billion represented over 5 percent of the gross national product. "Not only that, tourism income spreads through the economy, creating more jobs and income to the tune of more than $28 billion."

*Source of all statistics in this section: CGOT, Stats Canada

-Tourism is Canada's fifth largest earner of foreign exchange.

-Tourism is the single largest employer in the country, providing some 1.1 million jobs, or 10 percent of the workforce. Moreover, tourism employment favours both the young and the relatively unskilled. Research has shown that every $1 million spent on tourism has greater impact on employment than does similar spending in any other of Canada's top forty industries.

-More than 100,000 businesses, most of them Canadian-owned, are supported by tourism.

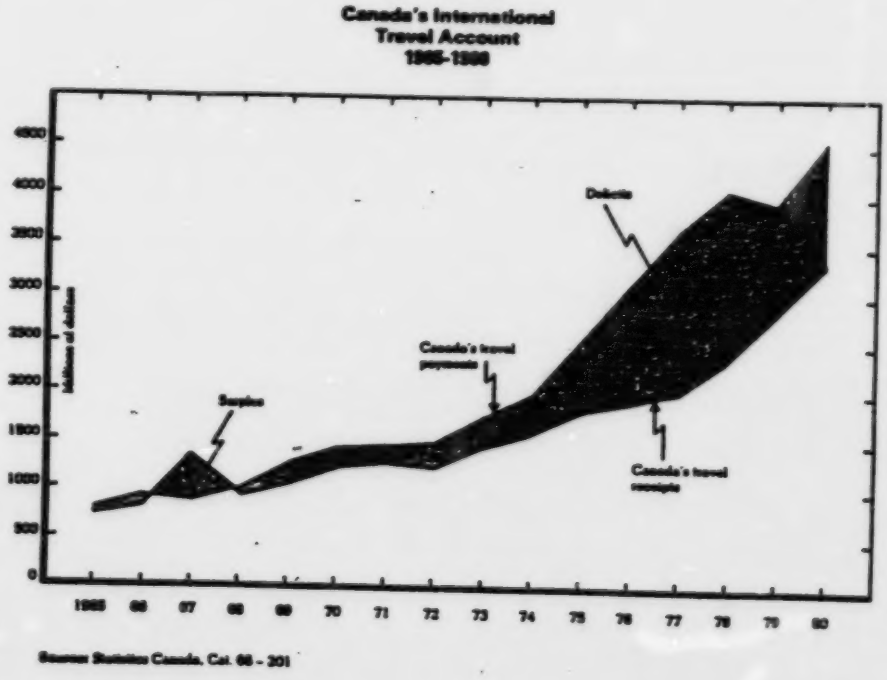
On the negative side of the ledger, however, Canada's performance in a global perspective has been slipping:

-Canada attracts one million fewer visitors annually than it did a decade ago. Although the total number of all international travellers worldwide increased by 60% between 1972 and 1982, the number of visitors to Canada staying at least one night actually fell by more than 7%.

-Canada's share of international tourism receipts has dropped from over 4% in 1973 to 2.7% today. Canada's total revenue from non-residents has not even doubled, while international tourism income has more than tripled over the last ten years.

Figure 3 graphically portrays the growing deficit in Canada's international travel account. As mentioned by the Steering Committee in their publication of an Economic Development Strategy, this increasing travel account deficit has contributed to the sharply rising deficit in the country's balance of payments.

FIGURE 3



The Steering Committee identified tourism as an industry with power to create jobs and assessment in Metro far beyond what had been realized to date. National data clearly confirm these observations, and Provincial figures mirror the same trends.

(b) **Provincially***

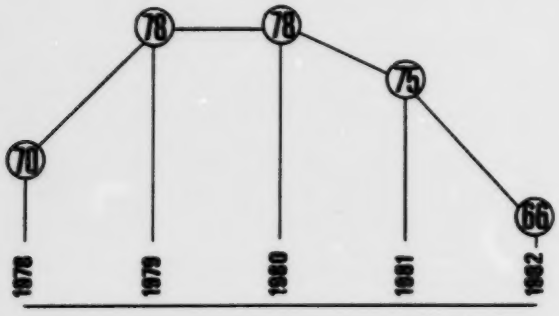
Tourism is the third largest export industry in Ontario, generating 380,000 person years of employment. Tourism expenditures in 1981 were $6.1 billion, generating provincial tax revenues of $900 million. However, the number of travellers to Ontario has suffered a 9% decline from 1981 to 1982. Much of this was due to the recession. As well, the turn around in the gasoline price situation resulted in a dramatic decrease in the number of same day American visitors coming into Canada at Niagara Falls, Windsor and Fort Erie to purchase gasoline. Predictably, the patterns demonstrated in Canada and Ontario were evident in Metro as well.

(c) **Right Here at Home****

According to Laventhol and Horwath, Metro is the major recipient of tourism demand in Canada; Metro accounted for over $2 billion - or approximately 12%- of Canada's tourism revenue in 1982.

Recent employment statistics, for 1980, refer to the creation of approximately 210,000 man-years of employment in the tourism sector.

However, as reported in the June 1983 Financial Times, the city registered a drop in total visitors and tourism related revenues in 1982 . . . the slump in Toronto's tourism market continues with no sign of improvement in the near term. This decline translated into layoffs in the labour force, a drop in tourism receipts, and a decrease in hotel occupancy rates. The latter, a recognized barometer of the health of the industry, is displayed in Figure 4.



Hotel Occupancy Rates in Percentages
Metro Toronto
1978-1982

* Source of statistics in this section: Ministry of Tourism & Recreation

**Source of statistics in this section; Laventhol and Howath.

Thus, far from enhancing Metro's overall goal of employment creation, the lagging tourism industry has instead been responsible for erosion of this area.

In conclusion, the same major trends are evidenced in the national, provincial and municipal employment figures. On the upside, tourism is an outstandingly important industry with potential for creating jobs and assessment revenue at every level. On the downside, performance recently has been disappointing. The implication is clear, and was drawn out strongly by Laventhol and Horwath:

"Metro should increase its tourism promotion budget in order to tap the tremendous potential which tourism represents for Metro's economy."

II. CURRENT ACTIVITIES

Both the Federal and Provincial governments have active tourism marketing programs. This section examines the nature of these programs and the degree to which they complement and compete with Metro's own programs. The role of Metropolitan Toronto Convention and Visitors Association and the adequacy of its communication program is also discussed.

(a) Nationally

Both industry leaders and government officials agree that the Canadian Government Office of Tourism (CGOT) is in need of a higher profile and larger budget. The Assistant Deputy Minister for CGOT stated, just this year, that "Financial resources for advertising at the federal level, for example, have been effectively eroded by some 40 percent over the past decade."

William Rompkey, Minister of State for Tourism and Small Business, just last month announced that he was seeking more funds for federal marketing of tourism. Due to the critical importance of tourism to Canada's economy at all levels, and due to heightened competition, a major commitment on the part of the federal government is indeed required to reverse Canada's slide as a recipient of world tourism.

CGOT's current responsibilities and activities fall into three broad categories:

1) Dissemination and Collection of Information.

CGOT prepares publications which are distributed worldwide through 21 CGOT information offices as well as embassies, consulates and missions. As well, CGOT maintains an inventory of package tours in Canada, for use by the public and trade. Finally, the Annual Canadian Travel Survey is carried out, in cooperation with Stats Canada, by this agency.

2) Trade Shows

In addition to representing Canada at major international consumer and travel trade shows, the CGOT also sponsors marketplaces -- some twenty scheduled this year in various U.S. centres -- at which representatives of provincial and local tourism organizations, as well as of private industry, are introduced to American buyers. Roughly, one half of the federal government's $27 million promotional budget was spent on advertising in the U.S.A., overseas and within Canada itself. This $14 million compares with an expenditure in the U.S. media of $28 million by the Bahamas government alone.

In an interview with The Globe and Mail recently, William Rompkey admitted..."The problem is.. we don't do nearly enough advertising in U.S. markets. We just have to get into the American marketplace on TV and really bombard people and show them what Canada is all about. That's a clear responsibility we have.. and I want more money to do it."

While CGOT advertising programs do provide some mention of Metro Toronto, CGOT's mandate is to provide equal exposure to all areas of Canada. Its promotions, therefore, can be regarded as competition for Metro because they feature lesser known destinations. In addition, they make no effort to project a consistent or distinctive image of Metro itself.

(b) Provincially

Provincial tourism marketing presents the same set of pluses and minuses for Metro as federal promotion. Although providing visibility for Metro, the provincial government efforts also generate competition by promoting other destinations. In fact, one of the purposes of the provincial campaign has been to encourage visitation to deserving, but less-well known, even obscure, parts of the province -- hence presenting attractive alternatives to the better-known Toronto area. The provincial Ministry of Natural Resources has also developed a promotional campaign to encourage travel to wilderness areas.

In 1983, the Ontario government will spend some $24 million in tourism marketing activity. Of that total, some $15 million will go for advertising and sales promotion under the umbrella of the province's highly successful campaign, "Ontario -- Yours to Discover." This program has achieved gratifying results encouraging Ontarians to travel within their province.

For all of the same reasons that Ontario felt compelled, four years ago, to take its own distinct message to the market -- the time has now come for Metro Toronto to do the same. Its job will be made a bit easier by the fact that the provincial program has successfully established a strong image for the province. Metro can enhance its own investment by complementing and building on the inroads which have already been made on the broader provincial scale.

(c) Right Here at Home

The Metropolitan Toronto Convention and Visitors Association (MTCVA) is the only official agency charged with promoting and securing convention and visitor business for Metro. The MTCVA, with a full time staff of 34, has a budget of $2.5 million for 1983; approximately 40% of this was provided by Metro and the balance by association members. MTCVA is active in a variety of areas, including:

-PR and media relations
-publication and distribution of material
-convention sales and services
-travel trade involvement and assistance
-research
-visitor information
-consumer co-op advertising

The Association is doing a commendable job, but is seriously hampered in several ways:

-Budget is insufficient to adequately project Metro's message
-Staff levels have remained unchanged since 1980
-Consumer co-op advertising was non-exsistent until 1981, and even now is severely limited

-Insufficient quantities of promotional material are available for distribution, with requests met on demand only.

A comprehensive set of recommendations directed at strengthening and enhancing the role of MTCVA is included in Chapter 7 of this report.

The current decline of the tourism industry in Toronto leaves little doubt that MTCVA, as the only agency now involved in directly promoting Metro, must assume a more vigorous role. The competitive pressure from other centres makes this all the more compelling, if only as a defensive measure.

III. THE COMPETITION

The "I Love New York" campaign stands as testimony to the positive results which a tourism marketing plan can generate. Since 1977, New York State has spent a total of $42.6 million on what has been described as one of the most successful tourism campaigns ever launched. The facts speak for themselves; over the five years of the campaign, the state estimates that:

-Tourist spending has just about doubled, from $5.6 billion in 1977 to $11 billion last year.
-Number of visitors in 1982 totaled 52 million (average expenditure in excess of $200 per person).
-Jobs have increased 69,000 over the 5 year period. 40,000 of those jobs are considered to be directly attributable to the ILNY campaign.

-Gross incremental state and local tax revenues attributed to the campaign, according to state authorities, amount to $324.6 million -- for a return on investment of 8 to 1.
-Additional revenues for the tourism industry (hotels, restaurants, et.al.) are estimated at $2.6 billion -- or a 64 to 1 ROI.

While there is, unfortunately, no patented formula for repeating the "I Love New York" success story, several factors did contribute to its sucess:

- The creative concept of "I Love New York" is brilliant. The use of the heart in place of the word "love" has literally, in however small a way, transformed the English language -- and appropriated that new piece of language to itself. The lesson in this is not that Metro should recreate or imitate New York's concept, but rather that Metro's concept should be equally memorable and unique.

- The campaign was preceded by "massive" consumer tourism market research into people's awareness of, and perceptions of, New York.

- Results of the campaign were closely tracked statistically, allowing for accurate analysis and ongoing decision-making based on that analysis.

- Every possible sector of the community was involved...along with all possible aspects of "tourism".

> Events which would have taken place anyway were christened "I Love New York events", and ranged from sports competitions to entertainment spectacles. Tours were designed for all seasons of the year for country and city...for every interest from fall foliage to broadway theatre. State and local agencies all got on the bandwagon. Citizens became enthusiastic -- including those whose testimonials for their state's attractiveness appeared in TV commercials.

Although New York was among the first and among the best tourism campaigns, it is by no means the only one. For example, Michigan has jumped in with a $7.2 million effort to encourage residents and Ontarians to "Say Yes to Michigan". Closer to home, the City of Montreal has launched a $1 million advertising campaign dovetailing with the Quebec Government's campaign themed "May We Share This Summer".

In sizing up the competition, the MTCVA - in its 1983 marketing plan- makes two very clear observations.

> -"Within Canada, we face competition from other municipalities who are all building new facilities and attractions .. provinces..airlines and hotels promoting travel to other destinations."

> -"Our major city competitors have beefed up their efforts and it is now common for organizations such as ours to have operating budgets in the four-to-five million dollar range. In this regard, an (other) important factor faces us when we compete outside Canada...paying 20 percent more for marketing activities."

A quick glance at visitor and convention bureau budgets, as provided by the Metropolitan Toronto Convention and Visitors Association indicates that the competition is heating up. Atlanta hiked its 1980 budget of $1.1 million to a 1983 level of $4.2; Los Angeles went from $3 to $5 million, and San Francisco from $1.5 to $4 million. Increased efforts on the part of large American cities are not the only threatening competitive trends in the U.S. The CGOT, in its 1983 Marketing Manual, also highlighted a number of other factors. More states than New York and Michigan have recognized the importance of tourism to their economies and launched efforts to keep their residents vacationing in their home states. Foreign travel is also becoming stronger in its competitive bids to gain the attention of the lucrative and experienced U.S. travel market. Furthermore, it is almost impossible for certain Canadian products to compete with deals, such as "sun destination" and "cross-U.S.A." fares, which have been made possible by airline de-regulation in the U.S.

The public sector in the U.S. is a dominant force in tourism advertising. Collectively in 1981, the individual states, the U.S. Travel and Tourism Administration and other public-sector partners are estimated to have spent well in excess of U.S. $250 million (worldwide). The majority of those funds is spent in the U.S. itself. The private sector, however, plays a strong role as well in bidding for discretionary tourism dollars. In 1979, the fourteen leading U.S. accommodation chains spent U.S. $59 million in advertising and promotion.

The discussion of various competitive initiatives could continue at greater length, as there is no shortage of examples. However, it boils down to a couple of very simple facts; to be successful, Metro must:

-Have an appeal which stands out from all the rest

-Dedicate adequate resources to ensure that its message will be heard amidst the growing volume of competitive messages.

Achieving the optimal return on investment depends upon directing that message at the market with the greatest potential return.

IV. THE MARKET

Past trends are often a reliable indicator of which markets are likely to respond in greatest volume - and with greatest profitability - to future communication efforts. Appendix 2 provides a battery of statistics relating to Metro's past markets. As appendix 2(a) shows, Ontarians have historically been Metro's major tourism market, accounting for about 80% of all visitors. Of the total trips taken by Ontarians in their province, a seemingly low 17% involve travel to the Metro Region. However, this 17% is more satisfactory when it is acknowledged that Metro residents were excluded from the statistic.

The major reason why Ontarians visit Metro, expressed by more than a third, is to visit friends and relatives. The bulk of the visitors -- -nearly half -- come from the nearby Niagara and Midwestern Ontario regions. These two facts, demonstrated more fully in Appendices 2(a) and 2(e) likely account for the fact that the proportion of total tourism expenditures in Metro derived from Ontarians is only 55%.

Given the high proportion of Ontario visitors to Metro and the relatively low expenditure generated from this group, it follows that Ontario should not be the major target of the proposed communication program. The more logical emphasis with this group would be reinforcement in order to protect the existing market share and encourage return visits.

Visitors from the balance of the provinces and overseas tourists appear to have good potential in terms of revenue generation, as shown in Figure 5. The percentage of expenditures derived from these groups is far higher than their numbers would imply. In Canadian terms, an estimate of provincial origin of Metro visitors is that half, or 500,000, come from Quebec and the balance from the other provinces. Internationally, around half of the Metro visitors are from Great Britian.

FIGURE 5

ORIGIN OF TRIPS VS. EXPENDITURE FOR METRO, 1982

	% of Tourists	% of Expenditures
From Ontario	79%	55%
From U.S.	12%	15%
From rest of Canada	6%	13%
From overseas	3%	17%
Total	100%	100%

Source: Computation from Appendices 2(a) and 2(c)

Thus, these two markets, although high in potential profits, are generally difficult to pursue. The exception, which should be included in the awareness campaign is Quebec. To increase visits to Metro by overseas travellers would be an uphill battle. As shown in Appendix 2(b), just over 50% of overseas visitors to Ontario already do visit Metro.

This, therefore, leaves the best to last. The American Market has the greatest potential for boosting Metro's visitation figures and lining its coffers. The only estimate available indicates that only 10% of the Americans who visit Ontario, now travel to Metro. Other tourism officials suggest it could be closer to 20%, but have no proof. In either case, the situation indicates there is room for improvement. The American visitors now frequenting Metro do, however, represent a lucrative market. While representing 12% of visitors, they spend 15% of the inflowing dollars. Finally, and perhaps most importantly, the American market is substantial in size.

Although estimates of where American visitors originate vary, simple logic seems to prevail. The states closest to Toronto supply the bulk of American tourists to Metro. Their affinity leads to a greater awareness of Canada, Ontario and Toronto. As well, they are more easily able to reach the city by auto. Because half of Toronto's visitors arrive by car, this is an important consideration. Appendix 2(f) quantifies the potential of the market represented by nearby American states; city dwellers within an easy one day's drive total approximately 30 million . A long day's drive boosts this figure to 40 million.

The importance of the American market extends beyond the pleasure traveller. Indeed, Bill Duron, President of the MTCVA was quoted in the Financial Times as reiterating the importance of the U.S. convention trade. He feels that the growth of major convention centres across Canada will erode Metro's traditional lion's share of the Canadian conference business.

According to the Times, U.S. business is vital to the achievement of the Metro's goal of 350,000 convention delegates per year; current projections show the new convention centre drawing 88% of its business from the U.S.

In summary, the primary target market for developing pleasure travel should be the U.S. states within a day's drive of Toronto. The secondary market should be Quebec, and some emphasis on retaining Metro's Ontario market share is logical. Information would be provided on request to other Canadian and international markets. Metro should also continue to cooperate with federal and provincial government initiatives.

In terms of the major American market the potential is great -- but the challenge is also great. CAMP's research indicates that Metro has suffered due to an overwhelming lack of visibility among this group.

V. RESEARCH FINDINGS.

New York was selected by CAMP as the single most appropriate external market to probe both business and tourism attitudes about Metro Toronto.

Its importance as a corporate decision-making centre is largely self-evident and requires no explanation.

Its importance as a tourism research market is not so immediately apparent, as it lies rather beyond the ken of a day's drive. However, its particular value is two-fold. The wide spectrum of opinions found in New York have traditionally proven similar to those found in a range of urban, suburban and industrial centres all across the northeastern U.S. The most critical of all possible respondents have, (again traditionally), been found in Manhattan proper and thus, for the most exacting test of a theme's popularity, this is the place to come.

Almost all of those interviewed by CAMP had been to Canada, but Toronto remained a mystery to many. As the researcher recorded in his report, "The scant couple of respondents who had gone specifically to Toronto as a destination in and of itself raved about it...to the puzzlement of the other respondents who couldn't imagine what it was they found that could be so great. As for the others, a few did know a little something about the city, aside from it having sports teams that are outclassed by Montreal's. However, big impressions had not been made. Of the total profile of the two major Eastern Canadian cities, it's a fair guess that Montreal has at least 90% of it, and in many individual cases, all of it." But listen in on the participants; a page of transcript of their comments speaks volumes:

"Is Toronto as European in its atmosphere as Montreal is?"

"No."

"The undiscovered Canada."

"They should give incentives to overcome that."

"Most of the people in this area go to Montreal."

"How is the terrain there? Is it mountains, flat land, lakes?"

"They're on lake whatchamacallit."

"Lake Erie."

"Maybe four square blocks. A few high buildings surrounded by old architecture, a canal here and there. There's water around Toronto. I see it as very, very small."

Moderator: How long would it take you to tour it?

"Three hours to see whatever attractions brought me up there, to see whatever I wanted to see."

"I'd hate to travel 275 miles from Montreal to go and see it for a few hours. It's not worth it."

"Toronto isn't a big city. There must be two main streets ... I would think it would take a good day. I think they would have some things there to hold your interest, that would be educational. I think it would take more than three hours. Maybe about a half a dozen. About a day and you could see it."

M: Name me one tourist attraction.

"What is the university - McGill?"

"Hockey."

"I don't know too much about it."

"I can't imagine."

M: Name me one tourist attraction.

"Niagara Falls. You have to cross it to go into Toronto."

"I really don't know what Toronto has to offer so I have no idea."

"Having been to Quebec and never having been to Toronto, that's what I picture Toronto as, an old type of city, an established city, a lot of culture."

M: Name me any tourist attraction that you think is there, any specific site, anything to go to see in Toronto.

"……I can't."

"Castles?"

To quote the researcher's conclusion: "For Boston or Philadelphia or Washington, or Montreal, those who hadn't been to these cities nonetheless knew what to expect should they go there. For Toronto, there was little or nothing of this. The city was a blank to the uninitiated. No known attraction, not even the CN Tower or the Eaton Centre, came to mind. The closest thing was Niagara Falls; everyone knew about that, and presumed Toronto wasn't far away from there."

In contrast to Toronto, Montreal and Quebec City were well known among respondents, due to their fame, proximity, and uniqueness from New York. Toronto was perceived as much more onerous to get to, and much less worthwhile once you arrived. The association was small and boring -- devoid of attractions.

The internal market, represented in the research by several groups of upscale Torontonians, clearly had a different perception. Their city won consistent rave reviews among them and the bywords were safety and cleanliness, followed by indications of the rich diversity and conservatism of the city. Residents were sensitive and concerned for how visitors would react to their city, and portrayed an understated pride, typical of their conservative nature. The respondents and - to a much greater degree - the group of tourism executives were positive about the wide range of tourist attractions and Metro's financing of many of these.

Incidentially, for Torontonians and New Yorkers alike, the distinction between Metro Toronto and Toronto was virtually meaningless. For Torontonians, it was regarded as a point which would be important to politicians and lawyers; for New Yorkers it was incomprehensible. Certainly, it should not be perpetuated in creative material directed at the external or internal market.

Overall, Metro appeared to be unsurpassed on the continent as a place to live - but did not even number among the great cities of the world as a place to visit. Tourism executives were anxious for promotion to lean away from the virtues of cleanliness and civic quality, emphasizing instead fun and excitement. To quote one of the executives, "People don't really go out of their way to go to places that are clean and safe. There are so many places that are clean and safe, and boring and dull."

VI. THE PRODUCT

As the CAMP's research revealed, truth is far from perception when the product is Metro Toronto. The internal market - Metro citizens- appear to be well informed advocates of their city, and little promotional emphasis need be placed on enhancing their attitudes. However, beyond Ontario itself, there remains a sizeable job to be done. While Toronto has received more than its fair share of favourable reviews, opinion probes conducted in Metro's major markets for the provincial Ministry of Tourism suggest that there are still many who know Toronto as it was fifteen or twenty years ago, not the Metro of today.

Toronto appears to be an undiscovered city, yet one which - when discovered-is well appreciated. We know that, once people find themselves in Metro for the first time, they are amazed at the area's quality of life, and quality and quantity of tourism attractions and facilities. This sense of surprise, in itself, appears to heighten the sense of pleasure provided by all the other experiences here.

Thus, even if Ontarians and New York State residents may continue to feel drawn "at least once" to New York City and/or Montreal, we believe that, once they've discovered Toronto, this is a place to which they'll keep coming back, again and again.

The town which New Yorkers imagined touring in three hours is endowed with:

-sophisticated global transportation links

-over 20,000 hotel/motel rooms

-a myriad of food and beverage establishments catering to all tastes and budgets

-major tourist attractions such as Harbourfront, the Zoo, the CN Tower and so on

-national and international sporting attractions

-shopping

-cultural attractions including symphony, ballet, opera, theatre, museums and art galleries

-convention facilities among the best in the country.

The list could go on and on, but the point has been made. Toronto is low on the totem pole not because it is an inferior product, but because it has a lamentably low level of awareness among the American market, at least based on CAMP's research.

In educating the market about Toronto, several points are significant:

-Although the benefits of safety, cleanliness and civic pride are well appreciated by those who manage to get to Toronto, they are not drawing cards in and of themselves.

-The real attractions of Toronto must be <u>discovered</u>. There is fun and excitement to be had.

-The internal market needs to be reinforced, but not re-educated, with respect to the virtues of the city.

-Today's travellers are more knowledgeable, sophisticated, and value conscious. Travel plans include frequent short trips to nearby destinations, as well as extended holidays. There is, therefore, potential in offering packages and deals. The latter is particularly true in Toronto, where a weakness is a lack of low to moderately priced accommodation.

VII. MARKETING OPPORTUNITIES

In the course of the research, a number of very specific marketing opportunities became evident. The following general discussion of these opportunities sets the stage for specific tourism recommendations included in Chapter 7.

(a) The Cultural Market

That cultural marketing opens up a whole new world for the tourism industry was a theme heard recently in Metro itself, when 250 delegates to the second Conference on Tourism and the Arts met here to hear speaker after speaker deplore the lack of initiative. "Travel marketing borders on the primitive and in the arts business it's non-existent," was the summation of Walter Johnson, Jr. of New York in a speech that was loudly applauded.

Cultural opportunities are one of Metro's unique selling points, as there can be no doubt that Metropolitan Toronto possesses one of the finest and most variegated arrays of cultural wealth to be found in any city in the world. In both numbers of people employed and dollars provided, Ontario's cultural institutions are bigger business than its steel or pulp and paper industries. Tourists are already partaking of the cultural amenities:

-29% of tourist spending in Ontario is attributable to cultural and historical attractions.
-During the two-month exhibition of the "Treasures of King Tut" at the Art Gallery of Ontario in 1979, which drew a total audience of 700,000 people, 54 percent of the audience were from outside Toronto and another 11 percent were from outside Canada. Total: 455,000 people visiting Toronto. Total expenditures: $19.4 million.
-A small ad in The New Yorker in August of 1982, just prior to the Festival of Festivals, had the phone ringing off the hook at the Festival box office as eager film fans tried to book both week-end and week-long packages.
-The Canadian Opera Company's advertisement in the New York Times in the Fall of 1980, offered a Toronto Opera Weekend, including a night at the Harbour Castle Hilton and a performance of "Lulu", to the New Yorkers whose own Met was threatened with a strike. The ad drew enough New Yorkers to Toronto to make that production one of the most successful ever for the COC.

The latter two illustrations point to the success of well organized, culturally oriented, packages. An outstanding and specific event (or series of events).. combined with fair value... and advertised to a carefully selected audience... appears to be an almost certain success.

(b) **Off Peak Travel**

In our view, there really is no such thing as an off-peak season in Toronto. Unlike rural destinations, which lose their luster during at least half of the year, a city like Metro maintains its excitement and cosmopolitan charm throughout all seasons. As a bonus, Metro's message will tend to be better heard and/or seen during off-peak seasons, when other destinations and attractions have "gone off the air".

Figures compiled by MTCVA in 1982 indicate a clear preference for Canadians to visit Metro in the spring. For a high proportion of Americans, fall is as popular as summer for travelling to Metro. The off-peak season trips should have particular appeal for the new generation of travellers, who intersperse short weekend trips among more extended vacations.

Metro can actually offer advantages in the off-seasons: fewer crowds; fine weather in spring and fall -- actually more pleasant than summer for sightseeing; cultural events back in full swing; and the possibility of combining a pleasure trip with a business trip. Any and all of these

advantages can be used to motivate a traveller to consider an "off-peak season" trip to Toronto. It is likely, however, that what will actually send him/her to the telephone or travel agent will be an attractive "package" at an attractive price.

(c) **Packages**

All of the marketing opportunities mentioned have referred to exploitation through packages. Such packages would be offerings which would ideally include accommodation, participation in a Metro attraction or event and some meals - all provided at a special price to a well defined market. They would have particular appeal to the new breed of value conscious traveller and to the Ontario market.

CHAPTER 3

BUSINESS DEVELOPMENT

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BUSINESS DEVELOPMENT

METRO - OPEN FOR BUSINESS

"The new reality is that Ontario's economic growth can no longer be considered automatic and self-sustaining."

"The set of economic circumstances that created the impetus for growth of this urban region (Metro Region) no longer apply. A new set of economic forces are at work, and not all of them are favourable to Metropolitan Toronto and Region."

Thus stated the Steering Committee on Economic Development in its "Economic Development Strategy for Metropolitan Toronto" and, in doing so , set the scene for new initiatives to conquer the new economic realities.

(a) Importance of Business to Metro's Economy

According to the Steering Committee, Ontario has suffered a relative decline within the Canadian economy. The Metropolitan Region, as the "dominant force in the Ontario economy" has, therefore, also been adversely affected by the downturn.

The Steering Committee takes a global view of economic development and business, and states that manufacturing employment in Metro will not be a major source of employment growth. It envisions a role for Metro as an "industrial incubator", constantly creating new jobs to compensate for restructuring, rationalization, and relocation. The goal set out for Metro in terms of industry is to retain existing levels of industry, and to recycle existing land or buildings to accommodate new industrial firms; this is related to the estimate quoted by the Committee of 10% vacant land in Metro. In the broader region, the goal of attracting new plants becomes operative. Within Metro, the Committee views the service sector as the primary source of future employment expansion.

Although Metro expects an overall population decline, according to the Committee, the labour force will continue to increase until 1986 - then stabilize. This demographic reality makes the creation of new jobs an even more urgent priority.

The importance of increasing the assessment base of Metro is also confirmed by the Committee. In the face of government restraint, municipalities have had an increasing dependence on business and realty tax. The Richmond-Zamparo Report (Assessment in Metropolitan Toronto - Trends and Selected Issues) prepared for Metro in December of 1982 indicates that attracting $20 million in new assessment to Metro will increase Metropolitan levy revenues by close to $1 million. With little or no growth in assessment, mill rates must increase by roughly the inflation rate just to maintain existing levels of municipal services.

Raising mill rates can cause the kind of non-competitive fee structure that can chase industry out of Metro. The Committee concludes by making the point strongly that positive action is called for on the part of municipal governments to reinforce other economic development initiatives. Metro should support policies encouraging the expansion of existing businesses and the introduction of new, while opposing policies which promote relocation.

Subsequent to the Steering Committee's Economic Development Strategy, an Industrial Development report for Metro was released. The report, which became available in June of 1983, included very specific direction for expansion of industrial development.

(b) Direction Established by Metro's Industrial Development Report

The Industrial Development Study was commissioned to "analyse the performance and prospects of Metro's manufacturing economy, and to develop a strategy which would outline the action required to expand the capabilities of manufacturing in Metro". Specific recommendations called for industrial development statements, information and policy analysis, and consultancy and marketing. Although the study was limited in focus to manufacturing as a subset of business development, the recommendation calling for consultancy and marketing is germane to the preparation of a marketing plan for tourism and business development. The consultancy role referred to an ombudsman and liaison function to enable industries to deal with government more effectively. The

marketing role, on the other hand, involved establishment of a centralized information and briefing centre as well as an external and internal marketing program. The various areas of the communication program-advertising, promotion, public relations, and direct sales - were to be integrated to meet the needs of the defined internal and external markets.

The Industrial Development Report expresses concern regarding which industries deserve priority in the marketing approach. It is well beyond the scope of a marketing plan to address this issue, which is quite properly a decision to be made by the Metro government. However, the marketing plan can enhance the potential for success of specific subsequent promotions by mounting an effective general awareness campaign.

The following analysis of current activities and competition in the realm of business development sets the scene for creating the most effective program for Metro. CAMP's qualitative research provides a strong base for defining the product in a way that best reflects the needs of the market.

CURRENT ACTIVITIES

As in the example of tourism development, business development is pursued at the federal, provincial, and Metro levels.

(a) Nationally

With 99 trade offices around the world employing 488 trade officers, the Canadian government is active in two particular areas of business development: "selling" Canada as a trading partner, and providing location information for companies interested in establishing in Canada. It is the latter area which most closely relates to Metro's current business development goals.

The federal mandate, as described above, is executed through two separate departments. Within our country the Department of Industry, Trade and Commerce, which has merged with the Department of Regional and Economic Expansion (DREE), spent $1.5 million on communications in 1982. This included the communications office, their advertising of available programs, audio-visual material and publications.

Outside Canada, the Department of External Affairs provides the above mentioned trade offices with audio-visual material, brochures and other publications. During the last fiscal year, their advertising and promotion budget amounted to $1.5 million. Additional funds are also allocated for trade fairs and displays. For instance, $400,000 has been allocated for promotional displays at the Paris Air Show.

The federal government will circulate literature on Metro as it is provided, and the foreign field offices promote licensing, joint efforts

and partnerships, all to our favour because Metro already has the most existing diverse industry. However, the federal program has no particular focus on Metro. The reverse, in fact, is closer to the truth as - by its mandate - the federal government is committed to encouraging development in areas which are suffering, economically, much more than Metro.

(b) **Provincially**

The provincial business development initiatives are handled through the Ministry of Industry and Trade, which employs 46 consultants in Ontario government regional offices and manages ten trade offices in the U.S. and overseas. In addition, 105 staff people work in Toronto to encourage business development and investment in the province. The province's program is two-pronged, with appeals to business people already located in Ontario, and appeals to those who are considering coming to the province.

For Ontario business people, Ministry programs include organization of trade missions enabling the companies to meet prospective purchasers in international markets, arrangement of participation in domestic and international trade fairs, product innovation assistance, and more. Such programs are testimony to the ongoing support which companies receive once they locate in an Ontario centre such as Metro and - in that sense- can be used as a benefit to retain existing business or to inspire the original move to Metro. Other provincial programs

offer greater relevance to Metro's immediate goal of attracting new business from outside of Ontario, however.

In its marketing efforts beyond the province, the Ministry encourages interested business people to contact the Ontario office nearest them. Representatives in these offices are familiar with the language and business style of the areas they serve, and can provide special information packages tailored to specific industry or business sectors and arrange appointments with key contacts in Ontario.

When an interested business person from the U.S. or overseas actually arrives in Ontario, the Ministry can provide appointments, a plant location analysis, and a tailored program of financing and legal needs. In addition, contacts with financial institutions, legal firms, realtors, construction companies and material suppliers can be arranged.

The provincial business development program is supported by professional publications which present Ontario's industrial and commercial potential in an exciting and easy to read fashion. In fiscal 1981-82, the province spent $4,139,400 on advertising, print, promotions, trade shows, all media (publications), and "The Profit Centre" audio-visual presentation.

While the province's programs are well-funded and professional, they - much like the federal programs - both support and detract from Metro's message.

(c) Right Here at Home

Unlike the tourism area, where MTCVA is the central tourism promotion arm for Metro, there is no viable central authority for promotion of Metro business development. The municipalities within Metro, the Toronto Area Industrial Development Board (TAIDB), and the Board of Trade all have their own unique roles and programs.

1. Metro's Municipalities

Business development activity is normally housed in the planning/development department of Metro's cities and borough. Appendix 3 illustrates the commitment of budget and staff for each local government. Metro's municipalities are in business development activity in varying degrees and some are more active than others. North York has hired a Development Officer to implement a new promotional program in 1983, and Scarborough hired a Commissioner of Economic Development earlier this year.

Uniformly across the local jurisdictions, minimal emphasis is placed on advertising and promotion. The City of Toronto, with an expenditure of $28,000 topped the list; the money was spent for design and production of materials initially used at the meeting of the International Monetary Fund. Scarborough's $21,000 expenditure

in this area, the next largest, was directed towards an audio visual presentation and an annual report. North York and East York spent $3,000 and $5,000 respectively, mainly on promotional literature, while Etobicoke and York spent nothing.

The general conclusion from the above is that the business development initiative for Metro suffers from a lack of coordination. Furthermore, insufficient budget has been allocated to the area of business development in general, and specifically to the advertising and promotion sector. The latter conclusion was reiterated by municipal officials, in that all City and Borough planning/economic development senior staff have indicated strongly that they believe more promotion, advertising and public relations activities are needed to attract and support industrial and commercial investment to Metropolitan Toronto.

2. <u>The Toronto Area Industrial Development Board</u>*

The TAIDB came closest to representing a "one-window" approach for business development in Metro, but served a rather substantial geographic area extending beyond Metro into the Regional Municipalities of Durham and York, the Town of Caledon, City of Brampton and the City of Mississauga.

* In June, 1983 Metro Council approved a report which effectively requires that the TAIDB be dissolved.

The Board was constituted to act as an information centre and to serve as a consultant to new firms planning to establish as well as existing companies considering relocation. Referrals came from a wide range of sources including The Board of Trade of Metropolitan Toronto, local municipal representatives, real estate brokers, banks, railways, developers, manufacturer's agents, domestic and foreign offices of both the federal and provincial government and the consulates of many countries.

The advertising program of the TAIDB, while not extensive, has produced results. The General Manager of the TAIDB reported recently that, "one recent advertisement placed in a Boston area publication resulted in an electronics firm establishing in the area and will immediately mean 60 new jobs and the prospect for more in the near future."

"Another advertisement placed in a Canadian business journal brought 53 inquiries in a few weeks and based on experience should result in another 100 leads."

Unfortunately, the TAIDB is deep in debt. Douglas Floyd, Metro Toronto's Executive Director for Economic Development, was quoted in the June 4, 1983 Globe and Mail as saying "TAIDB is a victim of the recession and rivalry between regional governments which all want to attract development to their municipalities." In short, the future of TAIDB seems uncertain at best. Urgent

action to reorganize, centralize and coordinate business development activities in Metro is called for.

3. The Board of Trade

The Board of Trade actively monitors policy affecting business in Metro's cities and borough, but does not become actively involved in business development. It receives a significant volume of inquiries, as it is perceived as the equivalent to the Chamber of Commerce. These have been channelled to the TAIDB, and the Board of Trade has been actively represented on the TAIDB. In future, the Board should be a key and integral part of business development activities, in a resource and advisory capacity.

In summary, current federal and provincial activities in the business development area pose the same set of advantages and disadvantages as they did in the tourism area. Although Toronto is included in the promotions, both federal and provincial mandates call for representation of less well known or relatively economically depressed areas. In addition to portraying a competitive as well as a supportive role, the governments have no incentive to project a consistent positive image of Toronto.

On the Metro level, the situation in terms of business development is a good deal worse than in the sphere of tourism development. Activities of various municipalities in Metro are widely variable

and not well coordinated. There is certainly no effective and well coordinated business development promotion area equivalent to the MTCVA on the tourism side.

Thus, current activities on the federal, provincial and local levels add up to spell trouble for Metro. The increased resource allocation recommended for tourism is also badly needed for business development. Moreover, a structural reorganization which will centralize Metro's business development activities is critical to the success of the marketing plan.

COMPETITION

Three particular competitive business development campaigns have been chosen for purposes of illustration. The centres involved - New York, Chicago, and Buffalo - are in the near U.S. markets, and their campaigns are illustrative of two points:

- Well conceived business development campaigns can lead to success (implying the benefits of offensive action on Metro's part).

- Concerted efforts are being made to draw business out of Metro (implying the necessity of defensive action).

In addition, a survey of business development budgets for other Canadian centres is provided as a guide to assessing whether Metro is competitive.

(a) **New York**

While all 50 states, hundreds of regions, and as many cities and towns throughout the U.S.A. are involved in promoting industrial and commercial investment, New York State has once again developed a major campaign in an attempt to win a top share of the business potential. The New York effort is particularly interesting in that the business development and tourism development campaigns share a creative approach and image. Using the same logo and theme music employed by ILNY, the new business campaign has the theme "Made in New York". The two major objectives of the business development campaign are to convince local business to remain and to lure national and international companies to New York. The program was initiated in the fall of 1981 with a promotion budget of $4 million and subsequently was granted $6.9 million for the fiscal year 1982/83.The major market has been the northeastern states, with some attention to Western Europe and Japan. Advertising utilizes TV, print, and radio and is supplemented by promotional efforts such as special programs and speeches. Public relations programs manned by forty commerce department staff focus on press releases and displays of "Made in New York" products. In addition, Commerce action teams in district offices visit local business to push government assistance programs.

Since the introduction of both "I Love New York" and "Made in New York", many of the 110,000 new jobs created in the state were in the manufacturing and commercial sectors. In addition, substantial internal support can be gauged by the 400 companies using the "Made in New York" slogan and logo in their corporate ads.

(b) Chicago

Charles Sklavanitis, Executive Director of Economic Development with the City of Chicago, was recently quoted as saying, "Previously we had a very parochial attitude which basically said 'Here we are. If you want us, come on, but you have to do it on your own.' Now, we're an active suitor to foreigners."

The $1 million campaign, launched in January of 1982, emphasized mass media advertising - starting with television, followed up closely by radio and print. Trade publication advertising was not included, but in terms of promotional activity, Chicago joined forces with United Airlines. According to City officials the program produced immediate results, in that more than 200 calls were received in response to the ads. Prospective investors receive a glossy information package including industry specific pamphlets, maps, and promotional pieces for the city as a whole. The following benefits were included in the city's promotional message, and reaffirmed through testimonials of local business people:

-Quality of life;

-Transportation network;

-Strong retail market;

-Geographic location with a third of the nation's population and 40% of its manufacturing plants within 500 miles of the City;

-Experienced labour force;

-High concentration of ethnic groups.

The initial contact with the prospective investor is then followed up with close to 200 pages of data comparing, in detail, the cost factors of doing business in Chicago versus the other competing cities that a given client might be looking at. The data base has been developed jointly with the private sector. Existing utilities, banks, and labour councils, cooperate by supplying the relevant data, via computer links, for the city to provide this kind of information, within minutes, to prospective clients. This type of input from the internal market is obviously fundamental if Metro is to successfully execute a sophisticated business development program.

(c) **Buffalo**

Buffalo's approach to business development is a very precise and direct effort to lure industry from Metro Toronto and other parts of Canada to its own area. The Buffalo Chamber of Commerce has appointed two full time industrial development officers with specific assignments to Ontario. These staff people maintain direct contact with more that 250 Canadian companies, of which at least 10% are expected to enter Western New York in 1983. This program of contact with Ontario business has a $400,000 budgetary allocation and its own computer program to identify targets.

The focus on the Canadian market is to be sustained in future years. The Chamber's stated intention is to increase developer visits, expand information and service missions, place selective direct advertising,

and begin direct mail programs to prospects. Regular contact and feedback is sought from 350 Canadian companies already operating in Western New York in one fashion or another.

A recent report from the Buffalo Chamber indicates the success of the program; since 1979, 56 Canadian, three European and three United States companies have established operations in Western New York creating initial employment of 1,229 individuals with an additional 1,000 jobs projected during the next two years.

Although particularly aggressive in its pursuit of Canadian companies, Buffalo is not alone. Chicago also covers potential business opportunities in Toronto and sends a representative to Metro on a frequent basis. As another example, South Carolina is sending a steady stream of business development missions and scouts into Metro. It should also be noted that the new network of foreign bank branches operating in Metro, while a highly positive addition to the economy, is an infrastructure capable of providing American contacts with substantive business leads and opportunities in Metro.

(d) Canadian Centres

The initiatives described imply the necessity of Metro increasing its business development activities both from an offensive stance to increase Metro's base, and defensively, to retain existing business. While the evidence presented to this point is convincing, a perusal

of the data from other Canadian centres is compelling. A survey by the Industrial Developers Association of Canada outlined 1982 municipal business development budgets. The per capita expenditure for Windsor - Essex was $1.80, and for the Hamilton Region was $1.03. In contrast, TAIDB spent .13 per capita . The combined business development budgets of all Metro cities and borough would add another .35 to the figure - still woefully inadequate to keep pace, let alone advance the Metro position.

THE MARKET

Identifying the potential target market which would provide the highest return for a business development campaign is far simpler than the equivalent task for tourism. The internal market is clearly the business community of Metro, skewed towards - but not exclusively - top level managers. These are the individuals who:

- can influence the continued location of the operation in Toronto;
- can act as emissaries of Toronto in their dealings with other business people from beyond Metro.

The external market is more broadly defined geographically than the tourism market, but more tightly defined demographically. Target consumers for the Metro message would be CEOs, Presidents, Owner/Partners, and second level management involved in decision making. While the U.S. is the major external market, some of the advertising vehicles chosen will also spill over into Canada. Budgets are insufficient to make a significant impact on the European market at this time.

RESEARCH FINDINGS

CAMP's qualitative research investigated perceptions of Metro among local business people and New York executives. The results generated from these representatives of the internal and external markets will be treated separately.

(a) The Internal Market

If anything, the Toronto executives who participated in the research were even stronger advocates of their city than were the members of the tourism focus groups. As well as praising the quality of life aspect of Metro, the executives viewed it as the only "true" business centre in Canada. In their own words, "As a place to run a business within the context of Canada, it's unsurpassed because you have access to the greatest proportion of the Canadian population. You also have access to the largest percentage of the U.S. population within a given range . . . Toronto from a market point of view I don't think is surpassed anywhere." ; "Toronto is a great place to live, work and play. It is without a doubt the cultural centre of English-speaking Canada. It is a world financial centre in its own right and is the financial capital of Canada. Politically, it tries hard to be the one spot in Canada where political decisions are made." ; "I suspect it's the first place people think of for relocation, if they want to come to Canada."; "You have to consider the alternative being Montreal in many ways, and Toronto looks terrific by comparison."; "Toronto has so much going, a diversified labour base, a skilled labour base, the universities

have an excellent reputation. Culturally, Toronto is getting so many things that would attract the kind of employees you'd want. We've got a tremendous group of consumers who are looking for new products all the time. The market is there. Transportation facilities are excellent."

Toronto's major selling points were its financial status; market; manufacturing base; transportation network; diverse, skilled and multilingual labour force; and quality of life.

The Torontonians were strongly in favour of promoting Metro, and perceived that increasingly limited opportunities were being pursued by an increasingly large number of industrial developers. However, not all of those interviewed were certain that their own businesses would remain within Metro. There were two major reasons for this:

-The appeal of moving was heightened as the costs in Metro continued to escalate. In addition, modern communication innovations and data links were regarded as facilitating the process of splintering off certain aspects of an operation;

-The appeal of expanding to the U.S. was strong, due to pro-business American attitudes, climatic advantage, and market size superiority.

In the business focus groups, it became evident that business peoples' perceptions of government were not completely positive. While the Metro government was viewed quite positively by the groups, the local city and borough governments were the object of concern, being regarded as anti-development and obstructive. Business people felt that Toronto had gained a reputation far and wide for being slow to approve capital projects and smooth the way for investment. Montreal was thought to be somewhat more cooperative, and American cities were labelled as vastly more efficient and helpful:

"I think in development terms, Toronto is not viewed in very positive terms by most people considering development in the city."

Despite this, however, it should be noted that investment is continuing in Metro and secondly, that this approach seems to appeal to the generally conservative nature of Metro's population.

"One of the problems that comes when you're doing this sort of thing is the length of time it takes the municipality to react to your investment requirement. If you've got to build a plant or an office building, how long does it take to get the various approvals? My group did a survey of various cities in Canada and two or three in the United States and we found that Toronto is the worst. Montreal is the best. If the mayor likes it in Montreal, 38 days later you've got your building permit."

"On the lower levels of government, one of the major problems is the timing element for building permits for people who are investing here. We wait six months to get a permit because some guy on the front desk's wife burnt his toast this morning." "There is a tremendous amount of clerical control in that sort of thing. You can have all the industrial department in the world, if the guy on the front line is discourteous, you're in a lot of trouble." "And there are a lot of people who just don't give a damn. They figure they're there, they're in City Hall, they'll make their money until they're 65 and they'll retire." "It's what I call a clerical mind. They won't open another drawer to look up another fact."

"In Dallas a building permit takes a week and a half. They put some top-notch people on it if it's a top-notch project. They'll get it out, realizing that if you don't like what's happening there, you or your client may take your business elsewhere, outside Dallas... They'll push like hell to make sure your business stays there."

The researcher summed up the attitudes of the business people to municipal governments in general:

> "One had the impression that the respondents felt that local city halls had warped their perspectives. They were so bound up with their own insular view of what their jobs are about that they have lost touch with the business community which provides the money and the employment from which the lifeblood of a city flows."

In total, the most striking problem to emerge from the CAMP research of the internal market was the problem which the Steering Committee had already identified, and which led to one of the three major objectives of the entire marketing program: the need to improve relationships between business and government. The importance of rectifying this is apparent, but simple advertisements will not accomplish an attitude shift. The respondents had some very real complaints; further research could develop these into action areas to be tackled with government programs.

While the business people were positive about Metro as a place to live, this positive attitude was not sufficient to necessarily hold their business within Metro. It is evident that quality of life plays "second fiddle" to other considerations in the business development area. Certainly, CAMP's research reaffirms the importance of including the internal market as a major target of the business development program.

(b) The External Market

The quality of life in Toronto, and its appeal as a business travel destination, were extolled by New York executives who were familiar with Toronto. However, the proverbial "bottom line" was perceived to be a more important consideration than quality of life in making business decisions. Toronto did not maintain its status identified by Toronto executives - as the "only" business centre in Canada. The New Yorkers saw appeal in the West and Maritimes, due to cheaper labour and incentive grants.

Development of a Canadian plant to serve North America was dismissed out of hand by the American executives. It is simpler and more cost effective to serve the U.S. from within its own boundaries. Therefore, the primary potential for American business development in Canada lies in establishment of a Canadian operation which stands to succeed in Canada.

The New York business people involved in the research cited the FIRA process as a strong psychological barrier to investment in Canada. They suggested that many potential investors simply avoid the process by not applying.

> "Once you get in the Act and have to work under FIRA, it's a terrible expense and time consumption. For a corporate entity to spend six months and hundreds of thousands of dollars to get a small application through... In practicality it's a big pain."

> "It's not an objective criteria... There's a lack of being able to predict and that creates a big problem for businessmen.. And there's the perception that they really don't want you or else why would they make you run over all these barriers before you can take your money and put it at risk in Canada?"

Another perceived disadvantage in Canada, as compared to the U.S. was the "costly and fickle" labour force:

"Any labour-intensive business would stay out of Canada or at least look at Canada very far down its list of preferences."

M Because of labour?

"The price of labour."

"The perception of the policy of labour. Not the quality."

"I think the labour element in Canada is much stronger than it is in the U.S."

"Canada is basically a socialist country."

Finally, Canada had slipped, in the eyes of the New York executives, as a country to invest in: "socialist" attitudes, costly labour, unmanageable unions, and a generally inhospitable attitude towards investors were cited. At the same time, their own country appears to be more appealing to Americans, in the words of the researcher. It wasn't only the feelings that outsiders now view Canada as somewhat hostile, and not nearly as attractive a country to invest in as years past. It was also that the U.S. was said to be very much on the ascendency. It has a vastly larger market, and it welcomes, indeed vigorously seeks, new investment. Its climate for business is simply better, and the climate in the weather sense can be very attractive too. Why not locate near San Diego if it's easier, if the bottom line looks better, and if snow is seen only on newscasts?

In summary, New York executives familiar with Metro applauded its quality of life, but discounted this factor in business decisions. Metro, as a city, was a winner -- but the side of the border it was on made it a loser. As summarized in the research :"Toronto's virtues as a city were overruled by Canada's drawbacks as a country." These findings are even more disturbing when reviewed in light of the selection criterion for participants in the research. Almost all had some familiarity with, and predisposition towards, Ontario and Metro Toronto.

While Metro clearly cannot change federal government policies, the party in power in Ottawa, or Canada's labour situation, it can reverse the attitude that investment is not welcome in Canada. The research provided some positive selling points as well as negatives to overcome.

A final consideration arising from the research, and relevant to the marketing plan, relates to the distinction between "Metro" and "Toronto". "Toronto", in the minds of the New York executives, encompassed a large geographic area extending from Oshawa to Kitchener or even beyond. Market areas, rather than political boundaries, were the salient dividing lines. Even to the Torontonians involved in the research, Toronto was viewed as an urban area of wide radius encompassing Durham, York, and Peel. Use of the term "Metro" was meaningless, and even promotion of "Toronto" was thought to be artificially restrictive. Clearly, Metro does benefit from investments beyond its own border

but within limited driving distance. As a point of comparision, the New York campaign impacts positively within a broad area bounded by Pennsylvania and New Jersey.

THE PRODUCT

Marketing Metro Toronto in the business development realm is more difficult and challenging than promoting it as a tourist destination. There are several reasons for this:

-A decision to take a trip has short term consequences, while a business location decision has a long term impact. Therefore, the business development decision is normally more thoroughly researched and considered.

-Trips are taken more often than businesses are relocated. The "frequency of purchase", in marketing terms, is much higher for tourism.

-The internal Metro Toronto market had only positive reactions to Metro Toronto as a tourist destination, but had reservations about Metro as a business location. In other words, attention towards influencing the internal market is more important on the business development side.

-As a travel destination, Toronto is largely unknown; because there are no serious negatives surrounding Metro as a "tourist town" awareness should lead to results.

-Awareness of Metro will not necessarily lead to success in terms of drawing business development. This is largely because potential investors have expressed hesitancy to invest in Canada -- for reasons which are, unfortunately, beyond Metro's direct control.

The foregoing should not be interpreted as obviating the need for marketing Metro in a business development sense -- quite the reverse. The difficulties mean that without a concerted marketing effort, Metro will be unable to even hold its own, let alone strengthen its position. The product of Metro must be marketed with an eye to:

-capitalizing on its advantages
-recognizing and where possible, overcoming its disadvantages.

(a) **Metro's Advantages**

Metro has a long list of selling points which should be highlighted in its marketing approach. These elements enhance Metro's appeal as an investment and commercial centre.

- Metro is a metropolis that works. The quality of life is outstanding, and Toronto is unsurpassed as an area to live and work in.

- Metro has a multi-lingual and skilled labour force.

-Metro is the financial centre of Canada; headquartered in Toronto is an extensive branch banking system and more than 50 foreign banks as well as the senior stock exchange of the country.

- Being a large economic unit and the national business capital, Metro has a greater range of financial services than any other area in Canada.

- It is at the centre of Canada's largest market.

- Transportation networks are superior: it has an extensive, high quality highway system that links up with American markets through twelve border crossing points; it is connected by rail service which interconnects with the rail networks of the U.S.; it is fronted on Lake Ontario which is part of an overall seaway system which connects effectively with the Atlantic Ocean, the rest of the province, and the American mid-west for an effective 7-8 month period; and finally, there is an extensive network of both international and local airports providing year-round service.

-There are excellent incentives for research and development activity in Ontario including generous tax credits, cash grants, loans and loan guarantees. The provincial government also assists business in developing new markets and new products.

-An extensive university and college system in Metropolitan Toronto provides substantial research and technical services to industries locating here.

-Metro has a secure, inexpensive energy supply with lower relative industrial electricity costs than France, Italy, the United Kingdom, Hamburg, West Germany, Belgium and New York.

-There are over 110 customs brokers and freight forwarding companies operating in 56 ports of entry throughout the province, many of which are centered in the Metro Toronto region.

-The Canada/U.S. defence production sharing agreement allows for the duty free movement of military goods between Canada and the United States, a fact of particular significance to those in the related technology areas, or seeking to expand in these areas to Metro.

-Anti-pollution laws are fair, designed to give present and future generations a clean environment.

-Metro's government is pro development.

Of all the advantages cited, the latter is perhaps the most subjective and - at the same time - most important. The municipal government's attitudes towards development were proven to be especially important to the internal market, and enhancing perceptions in this area will 'reap benefits' beyond the Metro market.

(b) **Metro's Disadvantages**

"The major disadvantages which Metro must overcome are the negative perceptions held -- erroneously, in some cases -- by the external market."

-FIRA is perceived as a roadblock, and creates the impression that Canada does not welcome foreign investors.

-Canada's labour force is seen as costly, difficult to manage, and fraught with union difficulties.

-Canada is poorly regarded as a country to invest in, falling behind Europe, the Orient, and the U.S. itself.

No doubt, many of the New Yorkers' negative perceptions of Canada have been developed through contact with Canadians. Simple advertisements are unlikely to dispel impressions created by word of mouth over a long period of time. On the other hand, the combination of carefully targeted communication programs plus personal contact programs can have a salient and positive effect on changing attitudes overall, underlining the key critical investment options and increasing investment location interest in Metropolitan Toronto.

CHAPTER 4

THE CREATIVE RATIONALE

CHAPTER 4

THE CREATIVE RATIONALE

> ". . . in every Canadian's mind the symbol of Toronto, the accepted caricature, is a gentleman in a top hat walking to church on Sunday with a bible under his arm, and frowning at the neighbour who is cutting the grass."
>
> - Bruce Hutchison, 1942.

The myth persists, and, as the research shows, there remains a grain of truth within it. But more than this, as the research also shows, Metropolitan Toronto has by and large outgrown this image. It's for this reason, we suggest, that the municipality requires a fresh expression, and a new way both to see and sell itself, and welcome the world for business or pleasure.

The state of New York's highly successful 'I Love New York' tourism campaign offers ample evidence of the impact of a boldly conceived, orchestrated and executed promotional effort. Of perhaps more particular interest, the widespread use of New York's 'heart' logo has effectively occupied, in the public's mind, the use of the heart motif per se, and simultaneously displaced or diminished Metro's own symbol and slogan of ten year's standing: "Toronto - Affectionately yours."

Metro needs a brand new way to say 'Toronto' and have it ring with real appeal to visitors, investors and citizens alike and be recognized as Metro.

It's no small task. Indeed, the process of producing an exciting combination of words and imagery unfolded over an eight month period of information gathering, discussion, exploratory research, creative development, focus group testing (14 in total, November '82 - March '83), further discussion and graphic refinement, and further to this, analysis of the marketing and media implications and applications, the shaping of the campaign.

The precise methodology and a summary of the research findings are dealt with elsewhere in this document and its supplementary research report.

In what follows, we outline the three critical, but far from mutually exclusive 'perceptions' that showed up and were shared in literally every group, developer/ tourist/resident, here and in New York: Metro Toronto has changed; Metro Toronto is different; Metro Toronto is still and all the same.

1. Metro Toronto has changed. Manifestly within a lifetime, and in a spectacular fashion from the fifties forward and the formation of Metropolitan government, the entire region has grown tremendously, grown richer and more diverse in its urban pleasures, and grown up to and into a new sense of itself, and confidence of its place in the international scene.

> "Toronto caters to the arts. We have museums, we have art galleries, we have theatres, live theatres as well as many many movie houses. Until ten or fifteen years ago we had very little. We had the library and an art gallery. But today they're outstanding. They're world renowned. The Science Centre."

"Toronto has just blown up so much over the last ten years that everything is so sparkly and new and impressive, we are so impressed with it."

"Culturally, Toronto is getting so many things that would attract the kind of employees you'd want."

"A coming city. A city that's really growing."

"It's a beautiful modern city with a lot of new skyscrapers popping up all over. Excellent restaurants. It's really a pleasant place to visit, and I think it's becoming, perception-wise, the economic centre of Canada."

Consider this arbitrarily assembled inventory: the new Art Gallery, the 'Archer', the big bank towers, Black Creek, the Blizzard, Bloor Street, Caravan and Caribana, the CN Tower, the Don Valley Parkway, the Eaton Centre, the Forum, or Four Seasons, or Fairview Mall, the restored Grange, the Gardiner, GO Transit, Harbourfront, the Hockey Hall of Fame, Hydro Place, the International Centre, the Blue Jays, Kensington and El Mocambo, the Marine Museum, New City Hall, the Ontario Science Centre, the Planetarium, Queen St. West, the refurbished Royal Alex or expanded R.O.M., Scarborough Town Centre, the St. Lawrence Centre, the subway, Thomson Hall, a 'Taste of Toronto', the underground city, ethnic variety, the new Woodbine, x-rated movies, York University, Yorkdale, or Yorkville, and our brand new zoo.

Virtually none of this was here at all, or certainly not as we now see it, before the post-war boom.

Metropolitan Toronto has changed, and needs a fresh expression to capture that sense of growth and burgeoning, the bursting forth, the spirit of an 'up' town, a rising star, a city on the move.

The indispensible ingredient in any such expression is the excitement, the 'buzz', the feeling of unfolding possibilities.

Metro has changed and the change feels good -- we must embrace this basic observation.

Metro is new to all of us, even life-long residents. No one knows it all, for it has all changed so much and so fast. It's a whole new world, ripe for exploration.

2. Metro Toronto is different. Clearly we're different from the way we were. But the municipality is different again in a way that may matter far more.

> "We've got a diversity of retail space here, a diversity of attractions, entertainment events. Put it all together, per capita, we have more . . . We don't seem to be known for them though."

> "The thing that always amazes us," says Keith Coppard, president of UTL Holiday Tours, "is the number of people we talk to who come into Toronto and look around and say 'we just had no idea, no idea, that Toronto was a city like this.' They didn't come looking for any particular attractions, just found them when they got here. They just don't know."

> "We've got all the amenities right here in Metropolitan Toronto and we don't exploit them. They're a well-kept secret. When we have a convention . . . the biggest thing we've got going for us is surprise. They're knocked on their can with what we've got here."

Through the, in retrospect, singular foresight of the municipal and provincial planners and politicians, Metro today is a municipality with all systems intact and room to grow greater. The core itself is alive and thriving. Transit works. The parts inter-connect. The infra-structure and financial base, while not without problems, are solid. We've got a "city that works" and therefore, in a continental context, something of an anomaly.

The high praise heaped on us by any number of prestigious publications underscores our exceptional good fortune:

"An urban miracle" - Newsweek
"The world's newest great city" - Fortune
"Possibly the most civilized metropolis in the western hemisphere" - Art Gallery
"The way all cities will be - if we're lucky" - Gourmet

Metropolitan Toronto offers a striking contrast to the sorry blight affecting too many American centres -- and, we must be mindful, Metro offers a welcome relief.

> "I think it's the same as New York, except without the speed. It's a big city but without the mad rush."

Metro Toronto is playful. It's a great place to spend an afternoon, an evening, a weekend or a lifetime. We've got eye-popping pictures or multiple movies, an art market second only to New York and a theatre scene -- in the opinion of some -- second to none. We've got opera, ballet, the symphony, reggae rhythms or jazz on the lake. We've festivals of the stage and silver screen. We've got street life day and night, old and new in harmony, and some uplifting public spaces graced with the works of Canada's and the world's best architects and artists. We've got pathways and parkways and perhaps aerial guideways, and signs that invite us to 'please walk on the grass'.

Metro Toronto offers a change of pace, a playful space, other cultures to encounter, so many worlds in one.

> "Business travellers really don't know what a great city it is . . . Working with conventions, we find a lot of people who say, 'I'd love to come back and bring my family. There's so much to do there, it's a great city, we'd love to see it."

Metro Toronto 'feels' different from the cities around us and the feeling is good, worth exploring and exploiting in our promotional activities.

We must extend our welcome to all and sundry to discover the difference, savour the spirit, first-hand.

3. Metro Toronto is still and all the same. Not the 'sanctimonious ice-box' of times long past, the paradigm of probity, 'Toronto the Good'. And yet the strain remains.

"Clean."
"It's always been clean."

"One thing I've heard from friends from out of town is that Toronto closes up shop at ten or eleven."

"It's a conservative town. Part of that is why we like it. It keeps it clean. It keeps the crime rate down."

"I've had people visit me from small places throughout Ontario and from New York City. The one came into Toronto like a cosmopolitan place to be and they're here to do some shopping and see a show. A person from New York City is wondering, 'When do you turn it on?'"

"I'm very proud to be 'Toronto The Good' other than the fact that I can't find any place to go for coffee after the theatre."

Metro is in some measure small 'c' conservative, a decent "city," civil and circumspect, soft-spoken and polite -- and still a little self-effacing. Metro is ardently attached to community and good-neighbourly values, anxious to preserve the secure small town atmosphere, and reluctant to abandon the small town view of itself.

If our first assumption stems from physical change, and our second fundamentally from political structure, then this third is more deeply rooted still in our collective psyche. The research confirms that we are not given easily to exuberance, "People here are conservative by nature and as a result they literally are in their own head space." The city founded on 'industry and intelligence' remains decidedly uncomfortable with bald claims or indecorous display.

This puts some very real limits on what we can safely say about ourselves -- and expect our people to stand behind.

This effectively eliminates unqualified superlatives, and points us in the direction of a more personal expression, more elastic and open-ended, supple enough to encompass the believers and the sceptics alike.

To sum up our assumptions: Metro Toronto has changed -- and offers something new even to those who think they know it; Metro Toronto is different -- it offers some real surprises to those who think all cities are the same. Metro Toronto is still and all in some ways as it was -- and while what sets us apart can and should be exploited, it must also be respected and not pushed too far.

THE THEME

Toronto then is many things to many people and, not surprisingly, the initial creative development work reflected this variety: literally hundreds of phrases were suggested, and roughly four score actually tested. Emerging, in the end unequivocally, from this extensive process comes the popular choice: 'Toronto -- discover the feeling.'

To our own people it extends an invitation to become better acquainted with the appeals of the product, and share in the excitement and, implicitly, the pride. To all our neighbours and prospective investors, it offers a warm and informal welcome to sample another kind of urban experience, different from their own and brimming with potential.

In both instances, the promise is simple: an invitation to explore, not just the real estate, but also the state-of-mind, the feeling of a going concern and a growing urban centre.

Toronto is a city that rewards exploration. Toronto is a feeling for all the world to share.

"I like Discover The Feeling. It's got staying power."

TORONTO - DISCOVER THE FEELING!

THE SLOGAN & LOGO

The integrated wordmark which has been developed captures the fresh and friendly character of the community, reinforces the sense of informality and personal discovery, and underscores all this with a unique graphic delineation of what our citizens themselves perceive to be the municipality's most readily recognizable appeals.

"It's a big city and yet it has open spaces. Skyscrapers and parks and water and boats all at the same time."

The handwritten "Toronto" emerged from research as clearly the people's choice. It says at a glance: spontaneity, informality, and the very strong sense of something personal. It's the absolute antithesis of John Galt's put-down: "one of the worst blue devil haunts on the face of the earth."

On the issue of 'Toronto' vs. 'Metropolitan Toronto' the research is clear and conclusive.

". . . it is . . . recommended that the word 'Metropolitan' not be assumed to be a necessary part of the new graphic identification. Residents of the Metro area (and even beyond it), view the entire area as being 'Toronto'. The words 'Metro' and 'Metropolitan' were taken as synonymous with officialdom and political exactitude. De facto, 'Toronto' was by no means perceived as meaning only the City of Toronto. In other cities, the full 'Metropolitan Toronto' would be superfluous since to the New Yorkers, 'Toronto' alone clearly meant the entire urban area (even including the three surrounding regions, in the New York executive perspective). This is much as 'Montreal' or 'Los Angeles' meant the full urban areas to the Torontonians, rather than strictly the politically defined core cities actually bearing those names."

-- Kwechansky Marketing Research Inc.

The 'underscore' depiction of Metro stresses both the lake and lakeshore and the everpresent green space -- surely among our most attractive features in the eyes of resident and tourist alike. The circle and triangle represent the cinesphere and a sailboat, again leading with our recreational potential. The city core (overlapping rectangles) and CN Tower are also indicated, to connote the sense of a major and ultra-modern centre. The gull in flight connects the base-line illustrative elements to the word Toronto, but also amplifies the feeling of adventure and discovery.

While it goes without saying that these factors offer a tremendous appeal to residents and visitors, they are also paramount with potential investors:

"I'd zero in on the quality of life, especially if you were comparing it to a U.S. location. Americans I have talked to who have visited Toronto for the first and second time have been ecstatic over the city physically . . . They don't know of an American city like that."

The logo in particular, in a semi-finished state, evoked all the right feelings among the New York corporate crowd. While skylines in this day and age are a stock in trade item, the blending of towers, parkland, and pleasurecraft was seen as distinctive and uniquely appealing. Businessmen were quick to understand that such an attractive environment must be evidence of a well-run jurisdiction.

The slogan is then in effect surrounded by the word Toronto writ large above, and a scene of the city spread wide below. The feeling seems to emerge from the city's centre -- and so does the slogan.

It's worth noting that, during a mid-project briefing with the operators of Metro's tourist attractions -- at a point when the choice of slogans had narrowed to just a handful but had not yet been finalized -- several operators were most forceful in stressing the potential benefit of the 'discover' connection with the provincial theme "Yours to Discover". The two themes are not simply compatible; they dovetail exquisitely one with the other.

> "I still think the word 'discover' is useful and valuable to you in that you have continuity in the two. There's an awful lot out there that says 'Yours to Discover'. If you're riding with the government, that's the logical way to go."

At 87% awareness the Ontario 'Yours to discover!' theme is already well established in the minds of our domestic audience. The campaign itself extends into virtually all of Metro's key markets -- and Metro's appeals figure strongly in both print and broadcast messages.

Beyond this, the 'Yours to discover!' link has been enhanced directly as a signature device by several key travel-related jurisdictions, including St. Lawrence Parks Commission and the Ministry of Natural Resources.

Metro's positioning, by definition, ought to be somewhat different, and yet the subliminal link through the very word 'discover' triggers a host of positive associations.

APPLICATIONS

Our logo and slogan are obviously the most conspicuous and arguably the most critical of all our campaign components. They are in effect both our profile and positioning statement -- how we look at a glance, what we say about ourselves, and the way we welcome the people of the world.

Inevitably the logo and slogan will be most widely visible through the tourism promotion, and more selectively deployed to reach key decision-makers in the business development area. And it's obvious enough to bear repeating that -- important as they are in establishing the style, summing up the spirit and signing off the sell -- the logo and slogan must be put to work in a context, or their impact will be by and large wasted.

To this end we recommend in essence two parallel and complementary campaigns: one directed to our own citizens, to all within the broadcast media reach of Toronto proper and Quebec, and to all Americans within a day's drive of the Canada-U.S. border; and a second rather differently targeted effort with both a wider geographic and narrower demographic focus -- i.e. key executives in the key business markets of North America, including Metro itself.

Tourism

For the tourism campaign we recommend: a carefully orchestrated media launch of the new theme; the swift and far-reaching application of the logo and slogan to point-of-purchase materials; the development of a jingle or musical interpretation of the theme for use in year one on radio and year two television; and the creation of a series of newsprint ads to run in Ontario, Quebec and the major adjacent U.S. border markets.

In our view, the ideal medium for projecting Metro's tourism appeals is clearly television -- because of its tremendous efficiency, almost universal coverage, and demonstrated capacity to blend the emotional appeal of music with the visual drama of our most attractive asset, the city itself -- and we would urge that filming begin as soon as possible. However, mindful of the fact that the go-ahead on this initiative cannot be implemented this season, we are recommending a launch year (1984) program hinged on radio and newsprint as the best way possible at this point of beginning our campaign. Radio builds awareness quickly, and allows us to tap into the emotional magic of music. Newsprint likewise offers a wide reach and the opportunity to spell out the attractions of the Metro region in some detail. Newsprint offers the additional advantage of creating some linkage with the MTCVA's promotional efforts -- through the use of interlocking schedules, common design features and perhaps adjacent positioning. Beyond this, the purchase of newsprint space tends to generate, in most instances, supportive editorial coverage, i.e. free press. In the interests of collaborating with the province's promotional efforts, we are recommending that Metro's own tourism campaign begin rather in advance of the major spring/summer period, break off in peak season, and pick up again for the fall period. For 1985, we would strongly recommend the use of television, with filming to go forward in the summer of '84.

Business Development

The business of reaching top business executives is obviously very different from the mass marketing techniques of tourism promotion. The media vehicles tend to be a great deal more selective and the message itself - while sharing a generous measure of lifestyle related information -- offers much more in the way of specific detail. More than this, there are obvious differences in tone, and a clear need for a style which is not only distinctive, but absolutely top notch.

In terms of conventional promotion, we are recommending the development of exceptionally attractive four colour double page spreads covering both the 'environmental' and economic appeals of locating new business here, for insertion in key business journals, and a companion black and white ad for use in the Wall Street Journal. A first-rate follow-up package should also be designed, with the same attention devoted to top notch presentation. This recommendation is detailed in Chapter 8.

Toronto

DISCOVER
THE FEELING!

THE MUNICIPALITY OF METROPOLITAN TORONTO

Trade Magazine Ads

Four colour double page spread magazine ads isolating variously, the quality of life and investment opportunity in Toronto.

FORTUNE® called us
"the world's newest great city"

...and they mean business.

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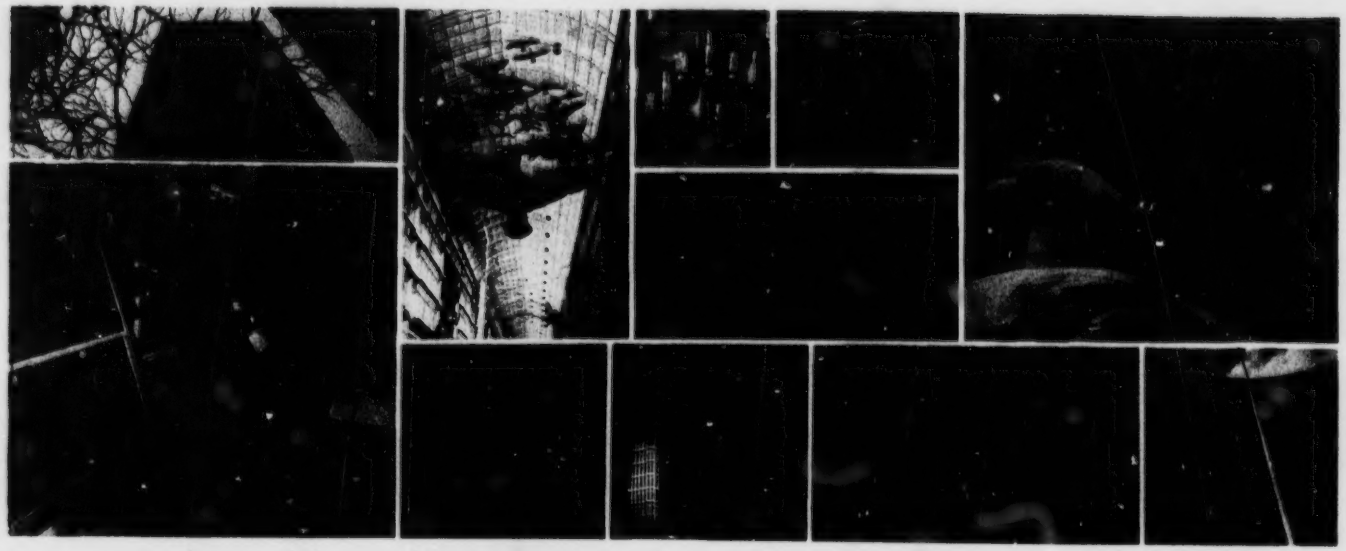
Call or write Metropolitan Toronto Economic Development Branch, City Hall, Toronto M5H 2N2.

Toronto
DISCOVER THE FEELING!

Newsweek® called us
"an urban miracle"



...make us work for you.

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Call or write Metropolitan Toronto Economic Development Branch, City Hall, Toronto M5H 2N2.

Toronto
DISCOVER THE FEELING!
THE MUNICIPALITY OF METROPOLITAN TORONTO

Harpers® called us
"the city that works"

...make us work for you.

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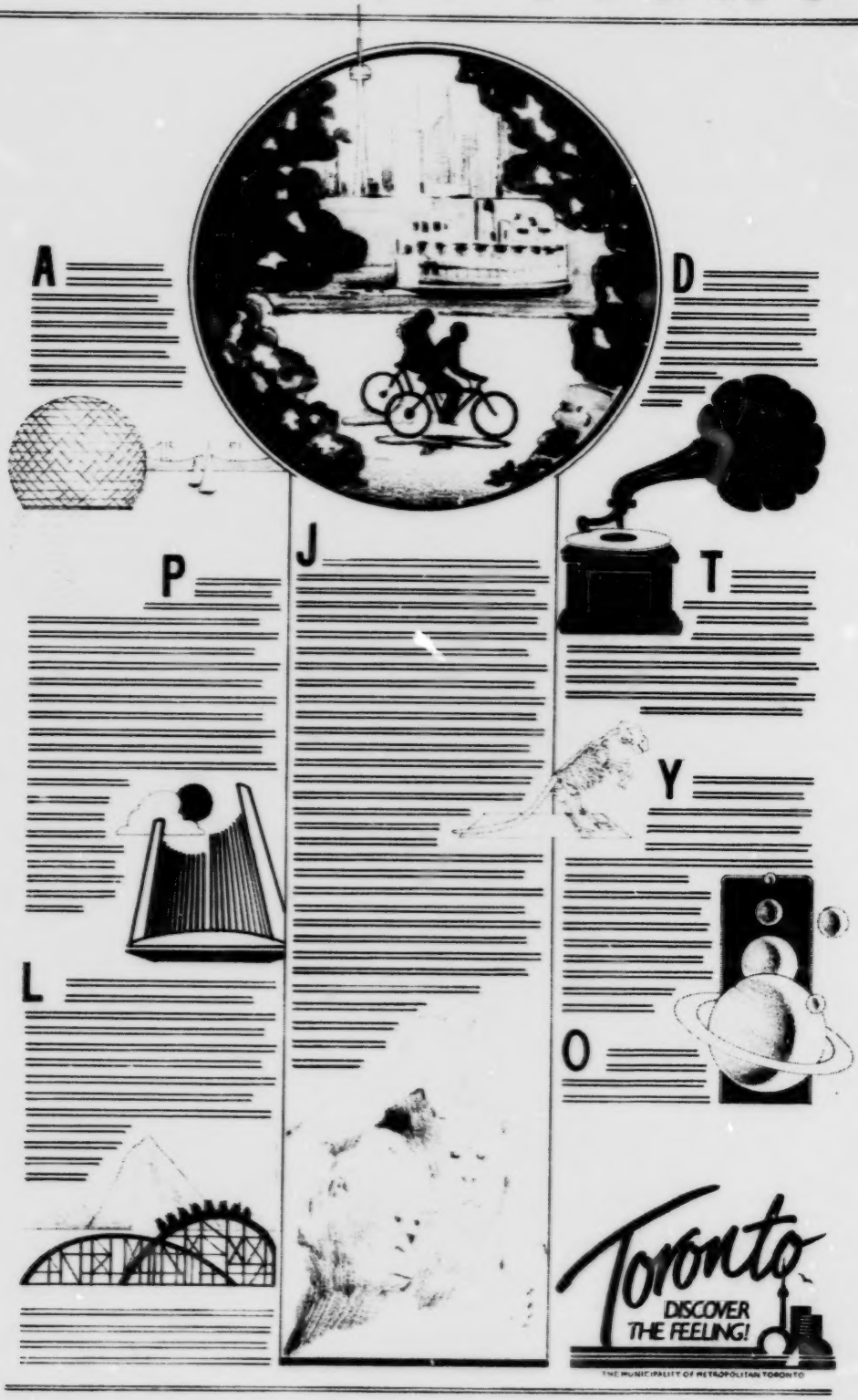
Call or write Metropolitan Toronto Economic Development Branch, City Hall, Toronto M5H 2N2.

Toronto
DISCOVER THE FEELING!
THE MUNICIPALITY OF METROPOLITAN TORONTO

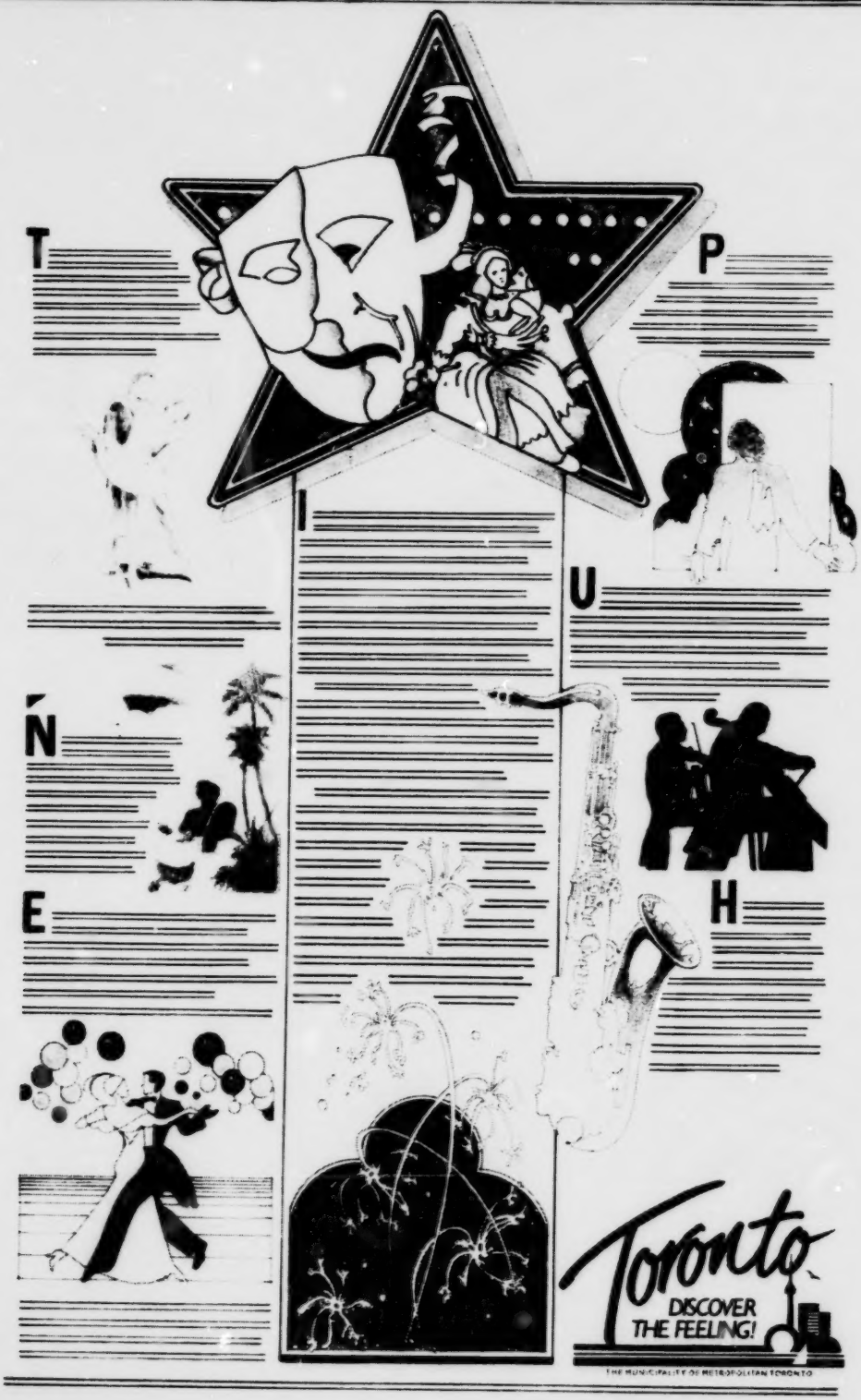
Consumer Newspaper Ads

Full page black and white newspaper ads detailing daytime and nightime activities and attractions. For U.S. border markets.

TORONTO·TODAY



TORONTO TONIGHT



CHAPTER 5

PROGRAM EVALUATION

CHAPTER 5

PROGRAM EVALUATION

It is understandably a priority of Metro to put in place some type of evaluation mechanism to assess the success of the proposed marketing plan. The overall goals of the plan, or yardsticks established to measure its achievements were expressed in terms of Jobs, Assessment and Attitudes - specifically:

- Creation and retention of jobs in Metro;

- Expansion of the assessment base;

- Reversal of prevailing negative attitudes between business and government.

In Chapter 1 of this report, a couple of inherent difficulties in determining the marketing plan's impact on these three goals were cited:

- The fact that jobs, assessment and business/government relations are shaped by many forces, and the isolated impact of a single program such as a marketing plan, is difficult to separate;

- Achievements will be long term rather than short term, particularly on the business development side in that many business decisions can take considerable time to finalize.

Because of the difficulties inherent in measuring success with regard to the three primary goals, CAMP developed a more readily measurable objective - namely:

- To positively influence awareness of and attitudes towards Metro Toronto among specified target markets.

Ease of evaluation within the tourism and business development areas will vary, as described below:

1. Tourism

The tourism program can be expected to have more immediate effect than can the business development program. The success of the "Ontario-Yours to Discover" program was measured in three basic ways: Telephone inquiries, net change in trips taken before and during the campaign, and awareness. By way of example, the May 1980 launch of the inaugural campaign was assessed as follows:

- Telephone Inquiries to the hotline in the first 3 months were up 35% from the previous year.
- Trips from the U.S. increased by 28% in the first 5 months of 1981. While many of these were day trips, a significant number were for overnight or longer.
- Research conducted after 5 months showed that the campaign theme and content had achieved an awareness level of 44% among Ontarians and 50% among Americans.

All three methods of evaluation are equally appropriate for Metro's tourism program. Monitoring of telephone inquiries is a simple matter when an 800 line is used. In terms of trip statistics, the MTCVA should continue collecting data on both a formal and informal basis as it has in the past. Hotel occupancy, attraction attendance, and food service sales are examples of the recognized barometers of the tourism industry, and cooperation from MTCVA members is essential in tracking down this information.

Measurement of awareness would, however, require a particular research endeavour. Such an undertaking is described in CAMP's major recommendations.

Finally, the Ontario government developed an analysis of the costs and returns of the 1981 winter newspaper supplement alone. Conclusions were: "For Ontarians, some 360,000 new trips were planned as a direct response to the insert initiative. This represents an approximate 800,000 more Ontarians travelling within the province. The bottom line translates this way: for every two dollars spent on insert advertising 120 tourism dollars are generated with a net benefit to the province of 18 provincial tax dollars. For the U.S. an additional 255,000 trips are intended for Ontario. A similar analysis to Ontario for costs nets twelve dollars in provincial taxes for every $4.40 expended on inserts."*

*Source: 1982-83 Ontario Ministry of Tourism, Tourism Marketing Plan

The methodology involved with the assessment was a follow-up survey. Readership of the insert, and intent to travel, were related to the cost of the program. Due to the budget likely to be made available, CAMP is not, at this time, recommending tracking studies of specific media pieces used in the tourism campaign because of the cost. As the preceding example illustrates, however, such studies are certainly feasible should Metro wish them.

2. Business Development

The volume of written inquiries and telephone calls can be tabulated and will act as one barometer of the impact of the business development program.

Any further evaluation of the results of the business development program is difficult, however. Influencing existing business and industry to stay in Metro rather than relocate will be hidden success in terms of statistics. New locations in Metro will probably occur over the long term, and the flow through effects to the economy will be impossible to quantify.

The "Economic Development Strategy for Metropolitan Toronto" focuses clearly on this problem. According to the Steering Committee, the U.S. government makes extensive federal funding available to conduct comprehensive economic analysis at the municipal level, while in Canada no such support exists.

Consequently, the basic economic data - particularly regarding employment, income and output - is not centrally produced and easily available at the Metro level. As the Committee summarized the problem, : "The collection and reporting of additional statistics on all aspects of the economy at the municipal level is urgently needed."

Partly due to the lack of data, and partly due to the narrowly directed interests of municipalities, an additional problem in assessing business development programs emerges. Municipal boundaries are irrelevant in economic terms, with centres such as Metro widely interpreted geographically by their national and international contacts.

Finally, the traditional cost/benefit assessment of incremental tax revenue against costs of wooing and servicing the new business tends to be biased against the new business. Metro's inclusion of job creation along with assessment gives a more realistic look at the benefits which accrue from attracting new business, but still does not embrace a full range of additional benefits generated by private sector investment. The Steering Committee concludes by suggesting that increased assessment take a back seat to the overall economic health of the community, which is admittedly more difficult - probably impossible - to quantify. In conclusion, the most pragmatic approach to evaluating the marketing plan, for both tourism and business development, is through primary

measures of inquiry levels and by observation of available relevant statistics. On the tourism side, the surrogate objective of awareness levels can be measured by means of pre and post campaign surveys in the major U.S. target markets. For business development, the goal of changing the attitudes of the internal market can be tracked through a similar type of survey. Beyond this, the virtual impossibility of accurately determining and evaluating effects on employment and assessment -as well as flow through economic effects - must be recognized and accepted.

CHAPTER 6

TOURISM AND BUSINESS DEVELOPMENT:

MAJOR COMMON RECOMMENDATIONS

CHAPTER 6

TOURISM AND BUSINESS:

MAJOR COMMON RECOMMENDATIONS

The overall mandate of this report has been to produce a marketing plan which addresses the needs of tourism development and business development for Metro. A portion of Chapter 1 was devoted to developing the link between tourism and business development as complementary and overlapping areas. The marriage of the two areas provides two distinct sets of advantages:

- Economies in the design, development and implementation of the marketing plan result

- The "message" is enhanced and strengthened

Thus, the major recommendations of the report demonstrate how both uniform and divergent approaches will be linked to achieve success in the areas of tourism and business development. A structural recommendation leads the way, as CAMP feels strongly that consistent and effective application of the marketing plan depends upon establishing an appropriate organization. A summary recommendation involving each key area of the marketing plan follows.

Much more specific recommendations and implementation strategies for the areas of tourism and business development build upon the general directions set by the following major recommendations. These specific initiatives, accompanied by cost estimates where possible, are included in the next two chapters.

RECOMMENDATION 1: STRUCTURAL

IT IS RECOMMENDED THAT METROPOLITAN TORONTO ESTABLISH THE APPROPRIATE ORGANIZATION TO UNDERTAKE AND COORDINATE BOTH THE BUSINESS DEVELOPMENT AND TOURISM DEVELOPMENT RECOMMENDATIONS OF THE MARKETING PLAN, PROVIDING FOR A METRO-ORIENTED, EFFICIENT, CONSISTENT AND COST-EFFECTIVE APPROACH TO FULFILLING METRO COUNCIL'S ECONOMIC DEVELOPMENT GOALS. DETAILS OF SUCH AN ORGANIZATION WOULD HAVE TO BE DEVELOPED BASED ON FURTHER DISCUSSION WITH THE AGENCIES INVOLVED.

This would provide for:

- Clear and precise focus on implementation of the marketing plan, and integration of the various elements.

- Greater ease of coordination and communication between the two areas

- Integration of planning

- Ability to project one consistent image to the market, both internal and external

- Opportunities for cross-referrals among tourist, convention and business prospects and one window information dissemination

- Fostering of working relationships with the private sector (internal market) and other agencies in the public sector

RECOMMENDATION 2: PRODUCT

IT IS RECOMMENDED THAT THE PRODUCT - METRO TORONTO - BE PORTRAYED THROUGH THE SLOGAN "DISCOVER THE FEELING" AND THE INTEGRATED WORDMARK WHICH FEATURES A HANDWRITTEN TORONTO WITH AN UNDERSCORE DEPICTION OF THE LAKE AND LAKESHORE, ELEMENTS OF THE CITY CORE, AND RECREATIONAL POTENTIAL, LINKED BY A GULL IN FLIGHT.

The creative work lends itself to a variety of applications, and expresses different messages to the internal and external markets. For Torontonians, the message is to become better acquainted with the city, sharing excitement and pride in its accomplishments and potential. For the external market, the message is simply to sample a very different kind of urban experience. In a like manner, applications to the tourism and business development areas will be flexible in portraying the information most appropriate to each group. The creative rationale provides a comprehensive discussion of the slogan and wordmark.

RECOMMENDATION 3: MARKET

3(a) INTERNAL MARKET

ON THE TOURISM SIDE, IT IS RECOMMENDED THAT A MINIMUM OF RESOURCES BE ALLOCATED TOWARDS REINFORCING ALREADY POSITIVE ATTITUDES OF METRO RESIDENTS; ON THE BUSINESS DEVELOPMENT SIDE, INCREASED EMPHASIS ON THE INTERNAL MARKET IS RECOMMENDED, IN ORDER TO IMPROVE THIS MARKET'S ATTITUDES TOWARDS GOVERNMENT AND BECAUSE OF THIS MARKET'S IMPORTANT ROLE IN DETERMINING RETENTION OF EXISTING BUSINESS AND INFLUENCING ATTRACTION OF NEW BUSINESS.

Metro was specific in its instruction that the internal market be accommodated in the marketing program as well as the external market. The foregoing report illustrates that the internal market is a much less important target in the tourism side, for the following reasons:

-The internal market was an informed and positive advocate of Metro in terms of tourism.

-To further its own interests, the private sector has taken initiative to promote involvement of Torontonians in attending attractions and pursuing "tourist-type" activities. Therefore, communication with the internal market has been addressed on this front. In terms of business development, however, no private concern has an interest in communicating the advantages of Metro to the internal market. In absence of government initiative, this group will not be served.

3(b) EXTERNAL MARKET

ON THE TOURISM SIDE, IT IS RECOMMENDED THAT THE STATES WITHIN A DAY'S DRIVE OF METRO BE THE PRIMARY EXTERNAL TARGET MARKET, WITH SECONDARY EMPHASIS ON THE QUEBEC MARKET. ON THE BUSINESS DEVELOPMENT SIDE, THE RECOMMENDED EXTERNAL MARKET IS NORTH AMERICAN TOP LEVEL BUSINESS EXECUTIVES - CEOS, PRESIDENTS, OWNERS/PARTNERS, AND SECOND LEVEL MANAGEMENT INVOLVED IN DECISION MAKING.

The market choices have been substantiated in the Chapters on Tourism and Business Development. In a tourism sense, the near American states offer the greatest potential market in terms of sheer size and spending power. Quebec has been the largest non-Ontarian source of Canadian visitors to Metro. A minimal amount of advertising, in the Toronto area will familiarize the internal market with the advertising image being created with the external market. In the business development area, the focus on decision makers is clear.

RECOMMENDATION 4: COMMUNICATIONS - INFORMATION DISSEMINATION MECHANISMS

IT IS RECOMMENDED THAT THE EMPHASIS IN THE TOURISM AREA WILL BE ON ADVERTISING IN THE U.S. MARKETS WITHIN A DAY'S DRIVE OF METRO AND IN SELECTED MARKETS IN QUEBEC AND ONTARIO, WITH ADDITIONAL DIRECT SALES EFFORTS IN THE POTENTIAL MARKETS JUST REFERRED TO.

WITHIN METRO, EXISTING POSITIVE ATTITUDES WOULD BE REINFORCED THROUGH A LIMITED PROMOTIONAL, PUBLIC RELATIONS AND ADVERTISING CAMPAIGN.

IN THE BUSINESS DEVELOPMENT AREA, THE PROGRAM WOULD CONCENTRATE INITIALLY ON PROMOTION AND PUBLIC RELATIONS INITIATIVES INCLUDING FACE-TO-FACE CONTACT WITH METRO GOVERNMENT AND EXISTING BUSINESS AND INDUSTRY WITHIN METRO TO DEVELOP POSITIVE ATTITUDES AND PREVENT RELOCATION. IN ADDITION, PROSPECTIVE INVESTORS AND COMPANIES CONSIDERING LOCATING IN CANADA WOULD BE REACHED THROUGH A LIMITED ADVERTISING PROGRAM IN SELECTED U.S. PUBLICATIONS.

Lengthy development of this recommendation is to be found in the specific tourism and business development recommendations and implementation strategies. In those sections, proposed marketing recommendations have been grouped into the areas of advertising, promotion, public relations and direct sales. The advertising area is substantiated further in Chapter 9 - Media Proposal.

RECOMMENDATION 5: MARKET RESEARCH AND PROGRAM EVALUATION:

IT IS RECOMMENDED THAT RESEARCH BE UNDERTAKEN FOR TWO SPECIFIC PURPOSES:

(1) TO TEST AND REFINE CREATIVE CONCEPTS AND COPY PLATFORMS TO BE USED IN THE ADVERTISING CAMPAIGNS FOR BOTH BUSINESS DEVELOPMENT AND TOURISM.

FOR CONCEPT TESTING, A SERIES OF FOCUS GROUPS IS RECOMMENDED.

(2) TO EVALUATE THE SUCCESS OF THE RESPECTIVE TOURISM AND BUSINESS DEVELOPMENT INITIATIVES.

The following are recommended as the best means of evaluating the programs, should metro decide that program evaluation is indeed required:

- INTERNAL BUSINESS DEVELOPMENT MARKET:

Pre and post campaign surveys of attitudes of business people in Metro towards government and towards proposed Metro programs.

- EXTERNAL BUSINESS DEVELOPMENT MARKET:

Tracking of a specific program; for example, follow-up research with people to whom information packages have been mailed

-EXTERNAL TOURISM MARKET

Pre and post campaign surveys in selected American cities in the target market, to measure changes in awareness of and attitudes towards Metro.

-BOTH EXTERNAL MARKETS

Monitoring of telephone calls, information requests, and data now collected regarding tourism in Metro, new business locations, employment, and assessment.

(1) Creative Testing - CAMP considers the pre-launch creative testing to be critical. Just as a comprehensive qualitative research program was employed to assist in slogan and logo development, a similar program would be used to test specific creative concepts to be used in the advertising. An investment in research of this type is an insurance policy of sorts, assisting in refining and developing the creative product. A series of eight focus groups involving members of both target markets is recommended. Two groups in each of four cities would be held. The estimated cost of this program would be $25,000.

(2) Evaluation - Chapter 5 has clearly set out the difficulties of evaluating success in terms of the overall goals of the marketing program.

However, Metro was very specific in its desire to evaluate program results, and the foregoing recommendations outline the best and most pragmatic ways of doing so.

The first area, evaluation of changes in the internal market's attitudes towards government, would best be tackled through survey research involving the business markets. However, Metro must appreciate that any real change in attitude can be expected only if government does respond to the particular concerns of business people which have led to the negative attitudes. The pre-campaign study will clearly identify these action areas.

In the second area, assessment of the success of the business development approaches to the external market, tracking a particular program is the only feasible evaluation mechanism. The inaccessability of economic data for the Metro jurisdiction has already been described as the constraint in evaluating impact on primary goals. Conducting pre and post campaign surveys of awareness levels would not be feasible as the target markets of CEO's and top executives are notoriously difficult to gain cooperation and reliable results from.

The pre and post campaign measurement of attitudes in the tourism target markets is the most feasible way of judging results. However, significant changes in awareness and attitudes should certainly not be expected in the first year and not until the budget is at a level where a sustained and significant impact can be realized.

The final research initiative, heartily endorsed by CAMP, is low cost and pragmatic. The staff responsible for the implementation of the program would, as a matter of course, monitor calls and requests and review existing statistics.

CHAPTER 7

TOURISM:
DETAILED RECOMMENDATIONS
AND
IMPLEMENTATION STRATEGIES

CHAPTER 7

TOURISM: DETAILED RECOMMENDATIONS

AND

IMPLEMENTATION STRATEGIES

RECOMMENDATIONS

1. Metro Toronto must embark immediately on an awareness campaign to establish an identity as an attractive travel destination, and to educate potential tourists as to what Toronto has to offer.

2. The major target market for the tourism awareness campaign should be the American states within a day's drive of Metro. An associated but secondary target market should be Quebec.

3. Metro should assist in development of packages, and offer these to Ontarians as well as the target markets already identified.

4. The commitment to the campaign should be long term, visible, and broad enough to involve many bodies, groups and disciplines within the Metro community. The major focus with the internal market should be involvement and reinforcement of positive attitudes; a large input of resources to create such attitudes is not required.

5. In order to place Metro front and centre as a convention destination, Metro should continue to work to obtain conventions in cooperation with the Convention Centre.

6. The role of MTCVA should be clarified, strengthened, and rationalized within any new marketing structure proposed by Metro.

IMPLEMENTATION STRATEGIES

The implementation strategies have been grouped together under the major headings of advertising, public relations, promotion and direct sales. These various "information sending mechanisms" have been defined as follows:

-Advertising: paid presentation of the Metro message, through various media channels.

-Public relations: activities directed at generating a positive public image. Public relations includes media relations and publicity - the securing of non-paid media space to communicate newsworthy aspects of the corporate message in a highly credible manner. It also includes internal and external corporate communications, lobbying and in-house counselling.

-Promotion: marketing activities designed to supplement advertising, publicity and direct selling in portraying the message. Diverse activities such as contests, coupons, trade shows, and exhibits are all included; the various promotions normally communicate information which invites the target consumer, through some incentive, to become involved.

-Direct sales: persuading the target consumer through direct contact.

Advertising

Four separate advertising initiatives are recommended. By far the most important is a destination awareness campaign directed at establishing Toronto as a tourist destination; it accounts for roughly 70% of the recommended $2,687,766.00 media budget. The next most important initiative is a program designed to sell "packages", accounting for around 30% of the suggested media budget. Approximately 4% of the media budget recommendation has been allocated to the convention advertisement program and to the travel trade. Complete details of the entire advertising program are included in Chapter 9-Media Proposal.

1. Destination Awareness Campaign: The destination campaign combines radio and newspaper to reach the major U.S. target market and the secondary Quebec market. A relatively small allocation of the same media mix is also applied to Toronto, in order to reinforce Torontonian's positive attitudes and to familiarize them with the advertising image being created in the external markets.

COST SUMMARY* : DESTINATION AWARENESS CAMPAIGN FISCAL 1984

Ontario (Toronto)	10.6%	193,142
Quebec (Montreal & Quebec City)	14.0%	253,952
U.S. (Buffalo, Rochester, Syracuse, Cleveland, Columbus, Chicago, Detroit, Pittsburgh)	75.4%	1,369,202
Total allocation for Destination Awareness Campaign		1,816,296

*excludes production

* TV is ideal, yet due to the required year's lead time, production must be carried out in 1984 for the 1985 TV campaign. TV production costs are estimated at $297,225.00.

2. "Package" Campaign: In the marketing opportunities area of the tourism Chapter, the potential of package tours was discussed. In order to support and complement the destination awareness campaign, it is recommended that Metro market a series of package tours. These tours would include accommodation, some meals and a specific activity or cultural or recreational attraction within Metro incorporated at a reasonable, all-inclusive price. Design of such packages would depend on the cooperation of travel wholesalers and others who would benefit from subsidized promotion. The appeal of packages would go beyond the American markets; it is thus suggested that 25% of the $783,970 media budget for the package promotion be spent in Ontario and Quebec.

COST SUMMARY*: PACKAGE CAMPAIGN

Quebec and Ontario (Montreal, Quebec City and Ontario centres excluding Toronto)	25%	194,710
U.S. (Same markets as for destination campaign)	75%	589,260
Total allocation for package campaign**		$ 783,970

3. Convention Advertisement

In order to pursue the convention market, it is suggested that more co-op advertisements such as the one just co-funded by MTCVA and the Metro Toronto Convention Centre be undertaken.

COST SUMMARY: Convention Advertisement

Co-op with Metro Toronto Convention Centre	$75,000

*excludes production costs.

** this figure would be reduced by private sector contributions.

4. Travel Trade Insert

To assist in influencing the travel trade, it is recommended that the MTCVA participate in direct mail of their brochure "Vacation Packages" to the travel trade, through insertion in the Travel Weekly magazine. This brochure affords an opportunity to sell MTCVA's newly established Tour Operator Booking Notice System; it is therefore suggested that MTCVA include the telephone number of this service in the brochure insert.

COST SUMMARY*: Travel Trade Advertisement

Insert in Travel Weekly	$12,500

5. Total Cost Summary: Media Budget* Recommended for Advertisement Portion of Tourism Communication Program.

Destination Campaign	67%	1,816,296
Package Campaign	29%	783,970
Convention Advertisement	3%	75,000
Travel Trade Insert	1%	12,500
Total		$ 2,687,766

*excludes production costs.

Public Relations

The MTCVA has developed a vigorous public relations program which works to enhance media relations, gain favourable free press coverage, communicate with members, and establish and maintain a public profile. The first recommendation in terms of public relations is that the MTCVA continue its work. Recommendations are also made in terms of launching the new campaign in the most effective way possible.

1. MTCVA Advocacy Activities

It is recommended that the MTCVA's public relations program be continued and, if possible, expanded. Additional staff support - ideally a full time staff public relations person or a series of freelance writers on an assignment basis - is required. The key areas of the public relations program, which should be continued, are:

- contact trips into each of the major markets and key cities identified in the media plan;
- media relations through supply of fresh feature stories, editorial assistance, and involvement with the Society of American Travel Writers;
- group media familiarization tours and individual media trips;
- regular communication through newsletters, communiques and annual reviews;
- internal membership support;
- pre-convention publicity;
- liaison with local organizations, media and the public.

In addition to the foregoing initiatives, it is necessary to upgrade MTCVA's slide collection. This task should be undertaken in conjunction with the Ministry of Tourism and Recreation who include Metro Toronto in their annual shoot.

2. New Campaign Launch

The launch of the new slogan and logo provides a platform for a major public relations initiative, to announce the new marketing thrust and promote the "selling" of Metro. The launch should involve relevant government agencies and the Metro tourism industry directly. The public- or internal market - would be involved indirectly through the media. The advertising budget allocation to Toronto will reinforce the public relations effort tied to the launch, by airing the slogan and logo which are to be used externally.

3. Theme Adoption

Encouragement should be given to promote widespread use of Metro's new theme, within and beyond the hospitality industry. MTCVA will no doubt make full use of the new creative concepts; those involved in the tourism industry should also capitalize on the "new look". It is important that the new slogan and logo be adopted consistently throughout the Metro community, particularly by local governments. The slogan has the versatility to tie together diverse elements of individual advertising efforts.

Promotion

Major promotional pieces are a new poster, as advocated by MTCVA, and brochures. In addition, the recommended 800 phone line is considered a promotional endeavour.

1. Poster

MTCVA is anxious to have a new poster designed. CAMP is in agreement that an outstanding, world-class poster would be valuable in Metro's image building process. It could be used by travel agents and tour operators, in federal and provincial offices, embassies, consulates, trade missions, tourism offices, private sector accommodations and attractions ... the list goes on. The estimated cost is $20,000.

2. Literature

The advertising program is designed to generate information requests. The literature package to be sent in response to such requests should include.

Existing MTCVA publications:
- Vacation packages
- Guide map
- Discovery guide
- Happenings

New Lure Brochure- Discover the Feeling

The new lure brochure is particularly important in that it would tie the information package back to the advertising campaign which inspired the request. It would feature a cross section of all of Metro's highlights, irrespective of their membership in the MTCVA.

The estimated cost for 20,000 copies of each of the publications recommended for the tourist package is $69,782.00.

MTCVA has expressed interest in going beyond distribution of literature by request only. CAMP endorses this strongly, and recommends printing of an additional 100,000 copies of the Discovery Guide. The cost of this would be $38,000.

3. 800 Line

An 800 toll free telephone line to service inquiries from the major near U.S. markets, Quebec and Ontario is essential. In addition to "asking the customer for his or her order", in marketing parlance, a toll-free number has a simplicity that overcomes customer resistance to asking questions, picking up the telephone or paying for a long-distance call. Equally important, a telephone line provides a clear and simple way of measuring response -- be it to a general campaign, a specific program or even an individual advertisement.

4. Audio-Visual

An important element in the promotion of Metro as a tourist and convention destination is a dynamic audio-visual presentation featuring the facilities, attractions, recreation and cultural activities and the "clean, green and safe" city-scape which Metro has to offer. This would likely be produced as a multi-projector slide and tape show and transferred to 16mm film for ease of portability.

It would be used both at popular Metro locations such as the CN Tower and the Eaton Centre and would be screened at Travel Trade Shows, exhibits and special promotional events organized by Metro in Canada, the United States and offshore.

The estimated cost is $30,000.

Direct Sales

MTCVA currently manages an aggressive direct selling campaign, particularly in the areas of convention business and the tourist trade. At this time, the major recommendation in this area is to continue and intensify current efforts.

1. Convention and Tourist Trade Sales

   In these two areas, the personal contact which MTCVA has been offering is critical. The new initiatives recommended as part of the overall marketing program will assist the direct sales effort of MTCVA, by offering new tools and raising the visibility of Metro. When the recommended new organization has been put in place, a re-evaluation of manpower requirements is suggested. Possible addition of a staff person and expansion into the convention and incentive marketing areas can then be contemplated. A detailed study should be considered regarding the advisability of establishing a convention promotion office in the prime U.S. market.

2. Visitor Information

   The visitor information program, handled by two full time information officers and supplemented by students, could also be considered a direct sales effort. It is one which produces results and should be continued.

SUMMARY OF 1984 TOURISM CAMPAIGN

RECOMMENDATIONS & COSTS

PROJECT ITEM	USE	ESTIMATED COST	TIME FRAME
1) Destination Awareness Advertising Campaign	to sell Metro Toronto as a tourism destination	placement $1,816,296.00 production 1984 • Original Music • Radio • Newspapers 431,432.00 • TV production for 1985 campaign Cost TOTAL $2,247,728.00	Production in 1983 place in Spring & fall of 1984
2) Package Ad Campaign (Radio & Newspaper)	advertising offering value package deals to tourists	placement (radio & newspaper) E. & FR. 783,970.00 Production* 14,260.00 TOTAL $ 798,230.00	production & distribution in fall & spring of 1984
3) Tourist Information Package including: - Vacation Packages - Guide Map - Discovery Guide - Happenings - Consumer brochure "Discover the Feeling"	consumer information guide in response to the campaigns	** $ 1,700.00 ** 4,750.00 ** 13,125.00 ** 6,000.00 (20,000 copies) 44,207.00 TOTAL $ 69,782.00 (excludes mailing)	production in 1983 initial distribution in 1984
3b) Additional Brochures for MTCVA	to alleviate current shortage of information requested from MTCVA	TOTAL $ 38,000.00	immediately
4) Convention Advertisement	to highlight Metro as a convention destination	placement $ 75,000.00 production -0-	distribution in 1984
5) Vacation Package Insert into Travel Trade Magazine	to advise the travel trade of available packages	placement $ 12,500.00 production 2,000.00 TOTAL $ 89,500.00	distribution in 1984
6) 800 Toll Free Telephone Lines	to encourage and track consumer inquiries	depends on # lines Accurate costing requires consultation with Bell Canada	installation in Spring of 1984
7) Poster	for use by travel agents, tour brokers, etc.	$ 20,000.00	1984
8) New Campaign Launch	to gain favourable media coverage	N/A	Spring 1984
9) Audio Visual	to sell Metro at travel trade shows, conventions & other promotions	$ 30,000.00	1984
TOTAL ***		$ 3,293,240.00	

* NOTE: Talent payments are excluded for radio commercial production estimate.
NOTE: All costs are ballpark estimates based on similar work done by Camp, and are subject to change based on layout and production requirements.

** NOTE: Based on a 10% increase of the current MTCVA print run.

*** NOTE: Some costs are not now available.

**** NOTE: Details of advertising projects #1, 2, 4, and 5, are included in Chapter 9.

CHAPTER 8

BUSINESS DEVELOPMENT:
DETAILED RECOMMENDATIONS
AND
IMPLEMENTATION STRATEGIES

CHAPTER 8

BUSINESS DEVELOPMENT: DETAILED RECOMMENDATIONS AND IMPLEMENTATION STRATEGIES

RECOMMENDATIONS

1. Metro Toronto must embark immediately on an awareness campaign to establish an identity as a prime business location, and educate investors as to the advantages of Metro.

2. The major target of the awareness campaign should be CEOs, Presidents, Owners/Partners and second level Managers involved in decision making in North America, particularly the U.S.

3. A central office, including a resource centre which is open to the public, should be established to act as a "one window shopping centre" for the internal and external markets alike. A library, AV material, resource staff and a data bank should be integral to this office. The important consultancy role will be performed from this location. Leads received at various locations such as the Board of Trade, governments, banks, and so on should be sent to the centre with a sense of confidence, alleviating the current situation where no Metro agency has the responsibility and resources to handle inquiries professionally, accurately and quickly.

4. The primary focus of the internal marketing initiative should be to shift negative attitudes to positive, by illustrating that "things are happening". Information, resource sharing and involvement will be vehicles to demonstrate that the government welcomes and assists investors. The primary focus of the external marketing initiative should be to generate positive awareness, as outlined in the first recommendation, and to follow this up with tangible assistance to prospects. A professional and relevant package of follow-up literature is described in the strategy implementation section.

5. The promotion, public relations, and direct sales initiatives should be closely tied to the theme of the advertising campaign and well coordinated to maximize effort. There should be a clear and apparent purpose to every undertaking within each area, and these undertakings should be tied back to the major objectives.

6. The entire campaign should maintain an element of personal identification with the Chairman of Metro and the senior executive in charge of the recommended new structure. This facilitates and fosters the "one window" response capacity by attaching a name to the place. A series of direct mail pieces from the Chairman to the major markets is recommended; an ongoing series of newsletters is also recommended.

7. The Board of Trade and a representation of senior Metro executives should be formally involved with policy formulation and execution for the body undertaking implementation of the marketing plan.

8. The business development initiatives should include specific efforts to overcome the negatives - FIRA and the labour situation - pinpointed by the external market.

IMPLEMENTATION STRATEGIES

As in the tourism section, the implementation strategies are grouped together under the major headings of advertising, public relations, promotion and direct sales. The relative weight placed on programs for the internal market is much greater than in the tourism section, and internal and external initiatives are so designated. Furthermore, the relative emphasis on advertising as one component of the communication package has been reduced.

As has already been pointed out, a "sale" in the business development area is much more difficult to make, and backed by more serious research and deliberation, than a "sale" in the tourism area. Awareness does not lead as automatically to "purchase" as in the tourism realm. If successful, advertising in and of itself will only succeed in developing interest, and drawing attention to the nature of the environment and opportunity in Metropolitan Toronto. Beyond that point, it is absolutely crucial that there be sufficient follow-up capacity to respond to every inquiry, to answer every question, and increase the sense of interest in Metropolitan Toronto after the first inquiry is made. From the perspective of Metropolitan Toronto, therefore, it would be a mistake to view advertising as a panacea or an all-purpose response. It will, if effectively executed and properly managed, increase levels of interest

substantially in those markets selected, thereby providing an opportunity for direct response on the part of the Municipality in a fashion which should be both productive and profitable.

Promotion, public relations and direct sales are mechanisms which can respond to and reinforce the interest generated through advertising. It is, therefore, essential that thematic consistency be achieved among all programs. Adoption of the major recommendation of a new structure to implement the marketing plan on the business development side is the only way in which such consistency can be developed.

Advertising

Only one advertising thrust is recommended: an awareness campaign directed at top executives.

1. Awareness Campaign - The Wall Street Journal and Area Development Magazine have been chosen as print media to reach the target market. Details are included in the media plan.

COST SUMMARY*: AWARENESS CAMPAIGN

U.S. Newspaper	144,731
Magazine	59,155
Total allocation for awareness campaign	$ 203,886

*excludes production costs

Public Relations

The first two public relations activities are directed at improving the business climate and enhancing the credibility of the newly created body which will be implementing the marketing plan. These activities are to involve the Board of Trade and labour organizations and to launch a program to work to improve federal government and labour relations images with the external market. An ongoing responsibility of the staff will be media relations, directed at the internal and external markets. Conversely, a major one-time initiative will be the launch of the new marketing program.

The resource centre, AV, and newsletter all serve the internal and external markets, and fall under the purview of public relations.

1. Board of Trade Involvement

   The Board of Trade has had an ongoing interest in business development in Metro, and was actively involved in contributing to - and directing referrals to - the TAIDB. It has the potential to make valuable contributions to ongoing policy formation and implementation, and should be involved in an advisory capacity from the outset.

2. Influencing Reversal of Negatives to Investment in Metro

The external markets clearly pointed to FIRA and the labour situation in Canada as deterrents to investment. Metropolitan Toronto should, therefore, work with the federal government to promote a change in foreign and domestic attitudes with respect to the role of FIRA and other regulations. In addition, it should seek, through co-operation with labour organizations in the Metro community, to foster and communicate a more positive impression of the overall labour climate. Finally, it goes without saying that a positive and welcoming attitude towards investors should be maintained and communicated by the Metro government. The personal identification of the Chairman with the various program initiatives is one way in which this can be conveyed.

3. Media Relations

An ongoing staff responsibility will be developing media relations and providing research, editorial and writing assistance. This work is much the same as that which the MTCVA accomplishes so very effectively. Resources such as the slide library and general data files can be used jointly by the tourism and business development personnel responsible for media relations.

4. Program Launch

An official launch of the new marketing initiatives has already been recommended in the context of the tourism side. Clearly, the business development promotion should be introduced to the internal market

concurrently. The same government and trade involvement would be required, but the internal market for business development could, due to its smaller size - and would - be involved more directly.

5. Resource Centre

The resource centre and its importance as a "one window" approach for business inquiries and information dissemination has already been discussed. The only element deservant of further elaboration here is the computerized data bank. The systems employed by other cities should be explored further to test their appropriateness for Metro. In Chicago, for instance, the cooperation of local business, institutions and government is necessary to bring the data - such as labour rates, tax rates and educational programs - on line.

6. Audio Visual

An important part of the resource centre is an A.V. unit which tells Metro's story in business terms, yet compellingly and with interest.

The estimated cost of developing such an A.V. would be $30,000.

7. Newsletters

An important communication link, for both the internal and external markets, is a newsletter. This serves to reinforce Metro's presence and credibility, building familiarity in the external market. The internal mailing list should involve labour, management, educational institutions,

government, and the media. Externally, a key mailing list of business decision centres across North America is required. These lists can be developed effectively in cooperation with senior levels of government, but should be maintained, coded and serviced on a regular basis to ensure a consistency of presence both for the message Metropolitan Toronto is trying to communicate relative to business opportunity in the community, and for the significance with which Metropolitan Toronto treats its various publics. The estimated cost of 20,000 copies published six times yearly is $45,360 (exclusive of mailing).

Promotion

The major component of the promotion budget is literature preparation. Recommendations for the dissemination of the information are also made. Involvement of the internal market through creation of a council of Senior Business Ambassadors and through compilation of a business inventory detailing existing businesses is advocated. Finally, a new initiative, labelled the Toronto Conference, is described.

1. Literature

   The advertising initiatives already described will generate inquiries. The following information is recommended to meet the requests of potential investors:

-lure brochure, talking to business concerns and the quality of life in Metro (Estimated cost for 5,000 is $60,000);
-a quick reference brochure providing an overview of market information and market potential (Estimated cost for 5,000 is $15,360)
-an outreach brochure outlining Metro's services and programs for local business (Estimated cost for 20,000 is $7,416)
-a key facts publication focusing in detail on current and relevant data such as transportation, taxation, and labour rates (Estimated cost for 5,000 copies based on production of existing "Key Facts" is $24,000).

It is, of course, implicit that the information be packaged in a professional manner and forwarded promptly, with personal follow-up by staff where possible.

2. Information Dissemination

To further publicize Metro's message, and to reinforce the Chairman's direct identity with the program, it is recommended that the Chairman write two waves of letters. The first wave, including the outreach brochure, would be sent to the internal Metro business market. Sufficient quantities of the outreach brochure were quoted above to accommodate this mailing. The second wave would go to executives, primarily in the business decision centres of North America and could include the corporate lure brochure. Costs will be determined when a finalized list is compiled.

3. Council of Senior Business Ambassadors

A key recommendation to gain internal support and raise the credibility of the newly structured Metro marketing organization involves formation of a Council of Senior Business Ambassadors. This technique, involves recruitment of a core of dedicated senior executives. These ambassadors would take an active role in program implementation and policy formulation. Moreover, they would act as extensions of Metro's business development arm, supporting and participating in various activities.

4. Inventory of Existing Business

In that almost 75% of new jobs in any community are usually created by existing industry, we suggest that Metro embark upon a detailed survey of existing business to assess satisfaction levels of doing business in Metro, expansion plans, technology, innovations and classification. The results would be of interest to potential investors and to municipal government officials reaching into their communities to solve problems and encourage expansion. As part of this study, an inventory of current business initiatives in Metro could be compiled.

5. Toronto Conference

Once annually, Metropolitan Toronto should sponsor the "Toronto Conference" on world economic and investment prospects. Using renowned Canadian and international experts, this conference would seek to attract international business and investment leaders, thereby showcasing Metro and establishing itself as a key centre for international economic activity.

Direct Sales

Many of the public relations and promotional activities already described will have a direct sales component, reflecting the fact that most significant business development decisions are taken as a result of a "one on one" direct contact. The work of the staff in the resource centre will depend, particularly, on this element. Through their personal contact, the staff will be endeavouring to make each and every Metro businessperson a promoter of Metro. Two initiatives have been separated out as particularly direct sales oriented: trade show involvement and seminars.

1. Trade show involvement

   Part of the work of the staff in the recommended business development authority will be to organize or support trade shows in Metro. The shows afford an opportunity to exchange information, promote Metro, and display Metro products - much in the same way that New York puts together its "Made in New York" displays.

   In addition, the resource centre will be in a position to provide support to companies wishing to participate in foreign trade shows and trade missions.

2. Seminars

   A series of seminars, held in Metro and key markets, is recommended to "sell" Metro to defined business groups. The seminars would be planned in conjunction with the federal and provincial government

offices and the Board of Trade. Metro officials and leading local business people would be used as spokespersons. Where possible, cooperative financing of these seminars should be secured from the business community and from the provincial and federal governments.

The seminars would involve the internal market as participants and be offered in Metro. As well, key U.S. head office cities would be incorporated into the itinerary to achieve maximum influence in the external markets. Less formal seminars could also be arranged by staff to serve particular expressed needs of the local business people.

SUMMARY OF 1984 BUSINESS DEVELOPMENT CAMPAIGN

RECOMMENDATIONS & ESTIMATED COSTS

PROJECT ITEM	USE		ESTIMATED COST*	TIME FRAME
1) Corporate Awareness Advertising Campaign	to increase awareness of Toronto among CEO's	placement production	$ 203,846.00 9,794.00	1984
	see chapter 9 for media details	Total	$ 213,640.00	
2) Resource Centre	to function as a central office fielding inquiries, providing critical data and expert consultation to potential business prospects		N/A	1983
3) A/V	to portray Metro as a dynamic business centre - for use at the Resource Centre and seminars, etc.		$ 30,000.00	1984
4) Direct Mail Package Including:	to respond to inquiries resulting from the campaign			Production in 1983 for distribution in 1984
- Information Folder which will hold the following:		(5,000 copies)	9,716.00	
- Inventory of Existing Businesses	to provide a current picture to Metro"s business community	(20,000 copies)	Negligible	
- A Key Facts Document	to provide purely factual information to potential clients	(5,000 copies)	24,000.00	
- A Quick Marketing Reference	to provide an overview of Metro's relationship to the North American marketplace	(5,000 copies)	15,360.00	
- Corporate Lure Brochure	to highlight the advantages of doing business and living in Metro	(5,000 copies)	40,000.00	
- Newsletter	to update Metro residents and potential clients about Metro's programs	(20,000 copies)	45,360.00	
- Outreach Brochure	to introduce Metro and potential new business to the outreach programs	(20,000 copies)	7,416.00	
5) Toronto Conference	to attract renowned business and investment leaders to Metro		N/A	1984
6) Trade Shows	to showcase Metro's products and commercial scope		N/A	1984
7) Seminars	to directly sell Metro to carefully selected business audiences		N/A	1984
8) Public Launch of Resource Centre	to inform the business community of its resources and objectives		N/A	1984
TOTAL **			$ 405,492.00	

* Production costs are estimates only and are subject to change based on layout and production requirements.

** NOTE: Some costs are not now available as their computation depends on many yet undetermined factors.

*** Details of the projects are included in Chapter 8.

CHAPTER 9

MEDIA PROPOSAL

MEDIA PROPOSAL

TOURISM DESTINATION AWARENESS CAMPAIGN

FISCAL 1984

CHAPTER 9

METROPOLITAN TORONTO

MEDIA PROPOSAL

TOURISM DESTINATION AWARENESS CAMPAIGN

FISCAL 1984

MEDIA OBJECTIVES

1. To attract and increase tourist traffic to Metro Toronto.

2. To create an image of Metro Toronto as a vibrant, exciting, clean, safe city offering a broad range of activities and attractions.

3. To schedule advertising support in selected areas as follows:

Ontario -	Metro Toronto only
United States -	Selected urban centres within a day's drive of Toronto
Quebec -	Selected urban centres

4. To direct advertising to the target audience defined as:

   Adults 25+, Skewing 25-59

   Household Income $30M+

   Professional/Managerial

   Source: MTCVA 1982 Research Program

5. To advertise at levels reaching 80% of the target audience within four weeks. The sustaining weight will achieve a minimum average frequency of six times over the duration of the campaign.

6. To schedule advertising to coincide with the decision making period for a summer holiday.

7. To select media that will cost efficiently, deliver initial high reach levels and sustaining frequency levels while effectively delivering the communication objective of Toronto being a preferred vacation destination. The selected media must also reflect start-up production schedules and deadlines.

MEDIA STRATEGY - DESTINATION AWARENESS CAMPAIGN FISCAL 1984

The overall strategy for the proposed plan is to quickly build awareness with at least 80% of the target audience. Subsequently, this will be maintained by ensuring high frequency levels over the remainder of the campaign with an average frequency objective of six exposures. To achieve these criteria within set production timetables, a combined execution of newspapers and radio will be utilized.

Newspapers will be used to generate immediate high reach levels against the target. Radio will be utilized as a supplementary medium providing the means of achieving the frequency objective.

Due to production lead times, television will be used in the 1985 campaign with production being carried out in 1984.

MEDIA RECOMMENDATIONS

DESTINATION AWARENESS CAMPAIGN

FISCAL 1984

The following summarizes the campaign details by market:

1. **Ontario**

Newspaper (Appendix I)

Markets:	Toronto
Ad Size:	Full Page B/W
Campaign Dates:	April 28/29, 1984 (1 ins.)
	August 25/26, 1984 (1 ins.)
Number of Newspapers:	3
Number of Insertions:	2 X Full Page B/W in each paper
	Toronto
Total Cost:	$36,942.00

Radio (Appendix II)

Markets:	Toronto
Commercial Length:	:60 seconds
Campaign Dates:	April 30 - May, 1984 (4 weeks)
	August 27, 1984 - September 22, 1984
Reach/Frequency:	1 Week - 45-50% / 3.0-3.3
	4 Weeks - 65-70% / 12.8-13.8
Total Adult 25-59 Impressions:	33,300,000
Total Cost:	$156,200.00

2. United States

Newspaper (Appendix III)

Markets:	Buffalo, Rochester, Syracuse, Detroit, Cleveland, Columbus, Pittsburgh, Chicago
Ad Size:	Full Page B/W, 1,000 Lines B/W
Campaign Dates:	April 7/14/21, 1984 (3 ins.)
	August 25, September 8/15, 1984 (3 ins.)
Number of Newspapers:	10
Number of Insertions:	6 Per Newspaper
	2 X Full Page B/W, 4 X 1,000 Lines B/W
Total Cost:	$601,442.00

Radio (Appendix IV)

Markets:	Buffalo, Rochester, Syracuse, Detroit, Cleveland, Columbus, Pittsburgh, Chicago
Commercial Length:	:60 seconds
Campaign Dates:	April 9 - May 5, 1984 (4 weeks)
	August 27, 1984 - September 22, 1984 (4 weeks)
Weight Level:	1 Week - 150 Adult 25-54 GRP's
	4 Weeks - 900 Adult 25-54 GRP's
Reach/Frequency:	1 Week - 45-50% / 3.0-3.3
	4 Weeks - 65-70% / 12.8-13.8
Total Adult 25-59 Impressions:	78,714,000
Total Cost:	$767,760.00

3. Quebec

Newspaper (Appendix V)

Markets:	Montreal (English & French), Quebec City
Ad Size:	Full Page B/W, 1,000 Lines B/W
Campaign Dates:	April 7/14/21, 1984
	August 27, September 8/15, 1984 (3 ins.)
Number of Newspapers:	3
Number of Insertions:	6 Per Newspaper
	2 X Full Page B/W, 4 X 1,000 Lines B/W
Total Cost:	$91,152.00

Radio (Appendix VI)

Markets:	Montreal (English & French), Quebec City
Commercial Length:	:60 seconds
Campaign Dates:	April 9 - May 5, 1984 (4 weeks)
	August 27, 1984 - September 22, 1984 (4 weeks)
Reach/Frequency:	1 Week - 45-50% / 3.0-3.3
	4 Weeks - 65-70% / 12.8-13.8
Total Adult 25-59 Impressions:	21,827,000
Total Cost:	$162,800.00

BASIS FOR RECOMMENDATION - DESTINATION AWARENESS CAMPAIGN

FISCAL 1984

1. Market Selection

All Ontario markets were considered, and it was recommended that advertising be concentrated in the Metropolitan Toronto area.

The 1982 Ontario Travel Study indicates that only 17% of the person trips taken by Ontarians included the Metro region and that 63.7% of the Ontario visitors to the Metro region originated from the Niagara/Midwestern/Central areas of Ontario. While it would appear there is great growth potential from the balance of Ontario, a closer review of this study would indicate that the visitors from Ontario often stay with friends and/or relatives and as a group do not produce revenue in keeping with their numbers.

The Niagara/Midwestern/Central areas of Ontario are receiving strong advertising support through the Ontario Ministry of Tourism and Recreation and it is recommended that the proposed Metro Toronto marketing program provide additional support in the form of package advertising.

Advertising in Metropolitan Toronto is primarily for the purpose of building a strong awareness of the theme song and to acquaint the population with the new exciting image being created.

According to appendix 2(a), visitors from the United States represent 12% of all visitors to Metro. This is the largest group from outside Ontario and from past trends promises a high return on spending. The only data known to us that tracks the origin of these Americans is the MTCVA visitor study in 1982. Fifty percent of the total sample of visitors were American. The majority of visitors originate from the states of New York (12.5%) and Michigan (10.1%). Following these two states are Ohio (5.6%), Pennsylvania (4.2%) and Illinois (3.4%). These five states within one day's drive represent over two thirds of the American visitors to Metro Toronto that were polled in this project.

These statistics confirm that propensity to visit a given destination is directly related to distance. This research, coupled with the strategy to capitalize on and interlock with the Province's tourism advertising, determine the U.S. market list to be:

New York*	Ohio	Illinois	Michigan	Pennsylvania
Buffalo	Cleveland	Chicago	Detroit	Pittsburgh
Rochester	Columbus			
Syracuse				

*New York City is not recommended at this time as it is a high cost market to reach.

Again according to appendix 2(a) 3% of Metro's visitors were from overseas. Although half were from the UK, this is an extremely distant and high cost market to reach. With an expenditure of nearly a half-million dollars, only 56% of the target would be reached an average of 3.8 times. Both the reach and frequency levels are much lower than the levels previously outlined in the objectives. Further, an expenditure of this level in the U.K. cannot be rationalized given current budget restraints.

Again according to research, the Province of Quebec represents the next largest market, with 3% of all Metro visitors originating from that province. To this end, the major urban centres of Montreal (English and French language) and Quebec City will receive advertising support.

2. Timing

Introductory advertising will be scheduled to commence at a time when decisions relative to summer holidays are being made. Research indicates that distance to the destination has a direct influence on when these decisions are made -- the further the destination, the earlier the decision is made. The second flight of advertising will be scheduled in the early fall to coincide with the opening of the second season for events and attractions.

Therefore, introductory advertising in the U.S. and Quebec markets will be scheduled to start in April 1984 to generate traffic during the summer of that year, with the second phase commencing early September 1984. The introductory phase for Toronto will commence April 30 - May 26, 1984.

3. Media Selection

The selected media must not only deliver the reach/frequency objectives, but must also be capable of effectively communicating the creative objectives; the creative message must be delivered in a manner which builds vivid imagery of Toronto. Television, with its full creative flexibility - sight, sound, motion not only meets the media objectives, but also would effectively communicate the message. However, as shooting would have to occur during the summer (1983), set timetables do not facilitate the use of television in 1984, but it would be included in subsequent program years.

Alternatively a media mix of newspaper and radio are recommended, together achieving the objectives.

NEWSPAPERS

Two full page ads will launch the newspaper campaign followed by a series of 1,000 line ads, which will be more specific relative to events and attractions. The ads will be positioned in newspaper travel sections with the intent of capitalizing on their environment. The rationale for recommending newspapers includes:

i) Reach: Newspapers generate immediate high reach levels.

ii) Visual: Newspapers allow for logo identification and visual treatments.

iii) Copy: Newspapers enable the use of detailed copy allowing mention of specific event and attraction information.

iv) Urban Skew: Circulation is concentrated in urban centres where propensity to travel increases.

v) Geographic Coverage: Newspapers are a localized medium, allowing for specific market selection and coverage with minimal wastage.

vi) Cost Efficiency: Newspapers are cost efficient against total adults. Readership increases amongst older demographics (25+) and higher incomes.

RADIO

Radio will be utilized to sustain reach levels and to generate high frequency levels against the target audience. Further, the medium lends itself to the development of the theme-song, further enhancing the image and "feeling" of Toronto created by the overall campaign. In recommending radio, the following attributes are noted:

i) Reach: Although not considered a high reach vehicle, substantial levels will be achieved over the duration of the campaign.

ii) Frequency: The medium quickly generates high frequency levels.

iii) Localized Medium: The purchase of spot radio enables the campaign to be restricted only to areas of primary emphasis with low wastage.

iv) Audience Selectivity: Through station selection, campaigns can be narrowly targeted not only to demographics but by format as well.

v) Cost Efficiency: Radio is cost efficient, even while maintaining high frequency levels.

4. Advertising weight

The greater portion of the budget has been allocated to media in the U.S., Quebec and Toronto. The balance has been applied to production.

Six insertions in newspapers are recommended for the following reasons:

i) To maintain high reach levels against the target audience.

ii) To maintain presence and continuity in the marketplace.

iii) To build logo identification and awareness.

iv) To provide timely information regarding events and attractions.

An 8-week radio campaign in two flights of 4 weeks each at a weekly reach/frequency level of 50%/3X is necessary in order to:

i) Quickly generate and sustain high frequency levels against the target.

ii) To develop awareness of the theme song.

iii) To maintain presence in the marketplace.

MEDIA APPENDIX I

TORONTO NEWSPAPER COSTINGS

PUBLICATION	LINE RATE $	COST/ INSERTION (Full Page B/W) $
Toronto Sun	3.88	4,656.00
Toronto Star (2772L)	6.78	18,784.16
Toronto Globe & Mail (2772L)	2.88	10,755.36
TOTAL FULL PAGE B/W		$ 34,205.52
PLUS CONTINGENCY		2,736.44
TOTAL TORONTO		$ 36,941.96

MEDIA APPENDIX II

TORONTO RADIO COSTINGS

Target Audience:	Adults 25-59
Weekly Reach/Frequency:	50%/3X
Commercial Length:	:60 seconds
Timing:	4 Weeks Spring '84
	4 Weeks Fall '84
	Must be booked simultaneously

MARKET	WEEKLY COST $ (Gross)	TOTAL EIGHT WEEK COST $ (Gross)
Toronto	17,750.00	142,000.00
	$17,750.00	$142,000.00
Plus Contingency 1984:		$156,200.00

MEDIA APPENDIX III

U.S. NEWSPAPER COSTINGS

PUBLICATION	LINE RATE $	COST/ INSERTION (Full Page B/W) $	COST/ INSERTION (1000L B/W) $
NEW YORK			
Buffalo News (2772L)	3.23	8,953.56	3,230.00
Rochester Democrat & Chronicle (2700L)	2.1903	8,638.11	2,190.30
Syracuse Herald/ American (2727L)	2.71	7,390.17	2,710.00
OHIO			
Cleveland Plain Dealer (2700L)	4.40	11,880.00	4,400.00
Columbus Dispatch (2835L)	2.41	5,832.35	2,410.00
PENNSYLVANIA			
Pittsburgh Press (2835L)	5.84	16,566.40	5,840.00
MICHIGAN			
Detroit News (2808L)	6.98	19,599.84	6,980.00
Detroit Free Press (2736L)	5.43	14,856.48	5,430.00
ILLINOIS			
Chicago Tribune (1764L)	-	14,787.00	10,726.00
Chicago Sun (2790L)	4.67	13,029.30	4,670.00
		$121,533.21	$ 48,586.30
		X 2	X 4
		$243,066.42	$194,345.20
PLUS CONTINGENCY		24,307.00	19,435.00
		$267,373.42	$213,780.20
PLUS U.S. EXCHANGE		66,843.36	43,445.05
		$334,215.78	$267,225.25
TOTAL U.S.		$601,442.03	

MEDIA APPENDIX IV

U.S. RADIO COSTINGS

Target Audience:	Adults 25-54 (25-59 Not Available)
Weekly GRP Level:	150 Adult 25-54 GRP's
Commercial Length:	:60 seconds
Timing:	4 Weeks Spring '84
	4 Weeks Fall '84

MARKET	WEEKLY COST $ (Gross)	TOTAL EIGHT WEEK COST $ (Gross)
New York		
Buffalo	4,500.00	36,000.00
Rochester	3,900.00	31,200.00
Syracuse	3,300.00	26,400.00
Michigan		
Detroit	10,650.00	85,200.00
Ohio		
Cleveland	8,400.00	67,200.00
Columbus	6,000.00	48,000.00
Pennsylvania		
Pittsburgh	8,100.00	64,800.00
Illinois		
Chicago	23,700.00	189,600.00
	$68,550.00	$548,400.00
PLUS CONTINGENCY 1984:		$614,208.00
CONVERTED TO CANADIAN FUNDS:		$767,760.00

MEDIA APPENDIX V

QUEBEC NEWSPAPER COSTINGS

PUBLICATION	LINE RATE $	COST/ INSERTION (Full Page B/W) $	COST/ INSERTION (1000L B/W) $
Montreal La Presse (2790L)	3.35	9,346.50	3,350.00
Montreal Gazette (2790L)	3.41	9,513.90	3,410.00
Quebec Le Soleil	2.05	5,719.50	2,050.00
		$ 24,579.90	$ 8,810.00
		X 2	X 4
		$ 49,160.00	$ 35,240.00
PLUS CONTINGENCY		3,933.00	2,819.00
		$ 53,093.00	$ 38,059.00
TOTAL QUEBEC		$ 91,152.00	

MEDIA APPENDIX VI

QUEBEC RADIO COSTINGS

Target Audience:	Adults 25-59
Weekly Reach/Frequency:	50%/3X
Commercial Length:	:60 seconds
Timing:	4 Weeks Spring '84
	4 Weeks Fall '84
	Must be booked simultaneously

MARKET	WEEKLY COST $ (Gross)	TOTAL EIGHT WEEK COST $ (Gross)
Montreal (English)	6,500.00	52,000.00
Montreal (French)	8,300.00	66,400.00
Quebec City	3,700.00	29,600.00
	$18,500.00	$148,000.00
Plus Contingency 1984:		$162,800.00

MEDIA APPENDIX VII

EXPENDITURE SUMMARY

MARKET/MEDIUM	EXPENDITURE $ (Gross)		%	
Toronto				
Newspaper	36,942.00		19.0	
Radio	156,200.00		81.0	
		$ 193,142.00		10.6
United States				
Newspaper	601,442.00		43.9	
Radio	767,760.00		56.1	
		$1,369,202.00		75.4
Quebec				
Newspaper	91,152.00		36.0	
Radio	162,800.00		64.0	
		$ 253,952.00		14.0
TOTAL:		$1,816,296.00		100.0%

NOTE: Production costs are excluded.

MEDIA APPENDIX VIII

EXPENDITURE VS. VISITOR'S ORIGIN

MARKET	% TOTAL	BASE 100	% $	INDEX
TORONTO	18.3	30.3	23.6	78
UNITED STATES	35.8	59.3	62.9	106
QUEBEC	6.3	10.4	13.4	129

MEDIA APPENDIX IX

TORONTO MARKET DATA

MARKET	EMA ADULTS 18+ POPULATION (000)	% OF TORONTO
Toronto/Hamilton	2,926.7	45.47
Toronto/Hamilton	2,926.7	45.47

MEDIA APPENDIX X

U.S. MARKET DATA

MARKET	EMA ADULTS 18+ POPULATION (000)	% OF TORONTO
New York		
Buffalo	1,217.7	.74
Rochester	665.1	.41
Syracuse	717.1	.44
Michigan		
Detroit	3,359.5	2.05
Ohio		
Cleveland	2,780.9	1.69
Columbus	1,170.0	.71
Pennsylvania		
Pittsburgh	2,485.6	1.51
Illinois		
Chicago	6,010.1	3.66
	18,406.0	11.21%

MEDIA APPENDIX XI

QUEBEC MARKET DATA

MARKET	EMA ADULTS 18+ POPULATION (000)	% OF TORONTO
Montreal	2,383.0	49.65
Quebec City	638.1	13.29
	3,021.1	62.94%

METROPOLITAN TORONTO

PACKAGE ADVERTISING CAMPAIGN

ESTIMATED MEDIA COSTS

FISCAL 1984

METROPOLITAN TORONTO

PACKAGE ADVERTISING CAMPAIGN

ESTIMATED MEDIA COSTS

FISCAL 1984

CONSUMER MEDIA	$
DOMESTIC - ONTARIO (excluding Toronto) & QUEBEC	
RADIO (4 weeks - 11 markets)	131,500.00
NEWSPAPER (3 ins. - 11 markets)	63,210.00
TOTAL DOMESTIC	$194,710.00
U.S.	
RADIO (4 weeks - 8 markets)	346,500.00*
NEWSPAPER (6 ins. - 8 markets)	242,760.00*
TOTAL U.S.	$589,260.00*
TOTAL MEDIA	$783,970.00

SEE ATTACHED FOR MARKET LIST.

* Includes U.S. exchange based on 25%.

NOTE: PRODUCTION NOT INCLUDED.

METROPOLITAN TORONTO

PACKAGE ADVERTISING CAMPAIGN

FISCAL 1984

MEDIA MARKET LIST

U.S. RADIO & NEWSPAPER

Buffalo
Rochester
Syracuse
Detroit
Cleveland
Columbus
Pittsburgh
Chicago

DOMESTIC - ONTARIO (EXCLUDING TORONTO) & QUEBEC
RADIO & NEWSPAPER

London
Kitchener
Hamilton
Barrie
Peterborough
Guelph
St. Catharines
Brantford
Niagara Falls
Montreal
Quebec City

METROPOLITAN TORONTO

CONVENTION AND TRAVEL TRADE

ADVERTISING CAMPAIGN

ESTIMATED MEDIA COSTS

FISCAL 1984

METROPOLITAN TORONTO

CONVENTION & TRAVEL TRADE

ADVERTISING CAMPAIGN

ESTIMATED MEDIA COSTS

FISCAL 1984

CONVENTION MEDIA	$
To participate with: Metropolitan Toronto Convention Centre 1/2 of Double Page Spread in U.S. Business Publications (8 ins. in National publications to be determined)	$ 75,000.00
TRAVEL TRADE	
Vacation Guide Insert in Travel Weekly 21,500 copies	$ 12,500.00*
Market: (Northeastern Seaboard) (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Ohio, Indianna, Illinois, Michigan & Wisconsin)	
TOTAL CONVENTION & TRAVEL TRADE	$ 87,500.00

* Includes U.S. exchange based on 25%.

NOTE: PRODUCTION NOT INCLUDED.

METROPOLITAN TORONTO

MEDIA PROPOSAL

CORPORATE CAMPAIGN

FISCAL 1984

METROPOLITAN TORONTO

MEDIA PROPOSAL

CORPORATE CAMPAIGN

FISCAL 1984

MEDIA OBJECTIVES

1. To achieve maximum reach of the target audience defined as:

   (a) Chief Executive Officers, Presidents, Owners/Partners

   (b) Second level management involved in decision making.

2. To create and sustain awareness of Metropolitan Toronto as a prime commercial location offering vast resources

3. To direct advertising to major business and/or industrial centres

4. To schedule advertising throughout the year.

5. To utilize media that will generate maximum reach of the target audience within an affordable budget.

6. To provide a complementary environment for the creative message.

MEDIA STRATEGY - CORPORATE CAMPAIGN FISCAL 1984

Various media were analyzed to determine the most effective and efficient way to achieve creative and media objectives.

A combination of the following was selected to achieve these objectives:

Financial papers

Industrial magazines

The U.S. has been pre-determined as the priority market and in the crucial launch year, advertising will be directed solely to those areas in the U.S. with the greatest potential.

From past experience, together with budget restrictions, the U.S. publications will service to cover both Canada and the U.S.

To achieve instant reach of approximately 60% of the target group, Financial papers have been selected to launch the campaign, to be supported on a sustaining year round basis with the use of Industrial Magazines. In the crucial introductory year it is felt that regularity is necessary to maintain a prolonged presence in the marketplace.

MEDIA RECOMMENDATIONS/RATIONALE - CORPORATE CAMPAIGN

FISCAL 1984

Double Page Spreads are recommended to dramatically portray the numerous advantages offered by Toronto for relocation or new business establishments. 4-colour bleed will be used in magazines to further enhance the creative message, with black and white bleed in financial papers.

Two Double Page Spreads B/W bleed in the Mid-eastern edition of the Wall Street Journal are recommended to establish immediate reach of the target audience. This publication is considered to be the "bible" of the business and financial world. The Mid-eastern edition (Chicago east) has been selected as it is felt the greatest potential for prospects exists in this region.

Six Double Page Spreads, 4/colour bleed are recommended for Area Development to maintain year round presence in the marketplace. This publication produces the greatest number of responses in both the U.S. and Canada.

It is not possible to accurately measure the reach and frequency of this campaign. However, within confines of the budget, publications have been selected on the basis of efficiency, circulation and readership data available.

Media costs and advertising schedule follow.

ESTIMATE OF COSTS

BUSINESS PUBLICATIONS - U.S.

PUBLICATION	AD SIZE	SPACE/ COLOUR COST $	BLEED CHARGE (2 pages) $	# OF INS.	TOTAL COST/ INS. $
Wall Street Journal Eastern Edition (726,859)	DPS B/W BLEED	52,676.00	--	2	105,352.00
Area Development (31,978)	DPS 4/C BLEED	6,890.00	260.00	6	42,900.00
		TOTAL			$148,252.00
		PLUS CONTINGENCY			14,825.00
					$163,077.00
		PLUS U.S. EXCHANGE			40,769.25
					$203,846.25

NOTE: Production costs are excluded.

BUDGET SUMMARY

MEDIA

FISCAL 1984

MEDIA	$
CONSUMER (Destination Awareness Campaign)	
DOMESTIC (Toronto & Quebec)	
Newspapers	128,094.00
Radio	319,000.00
	$ 447,094.00
U.S.	
Newspapers	601,442.00
Radio	767,760.00
	$1,369,202.00
TOTAL MEDIA	$1,816,296.00
CONSUMER (Package Ad Campaign)	
DOMESTIC Ontario (Excluding Toronto) & Quebec	
Newspapers	63,210.00
Radio	131,500.00
	$ 194,710.00
U.S.	
Newspapers	242,760.00
Radio	346,500.00
	$ 589,260.00
TOTAL MEDIA	$ 783,970.00*
CONVENTION & TRAVEL TRADE	
Convention - U.S.	$ 75,000.00
Travel Trade - U.S.	12,500.00
TOTAL MEDIA	$ 87,500.00

*NOTE: this figure could be reduced by public sector contributions

BUDGET SUMMARY

MEDIA

FISCAL 1984

(cont'd)

MEDIA	$
CORPORATE	
U.S.	
Newspapers	144,731.00
Magazines	59,115.00
TOTAL CORPORATE	$ 203,846.00
TOTAL MEDIA CONSUMER, CONVENTION & TRAVEL TRADE AND CORPORATE	$2,891,612.00

BUDGET SUMMARY

PRODUCTION

FISCAL 1984

*PRODUCTION	$
CONSUMER (Destination Awareness Campaign)	
RADIO	
1 X :60 Eng./1 X :60 Fr.	$ 52,251.00
TELEVISION (FOR 1985)	
1 X :60 & 1 X :30 Eng.	
1 X :60 & 1 X :30 Fr.	297,225.00
NEWSPAPER	
2 Full Page B/W Fr.	10,812.00
2 Full Page B/W Eng.	11,864.00
4-1000 Line B/W Eng.	13,700.00
4-1000 Line B/W Fr.	15,804.00
TOTAL	401,656.00
CONSUMER (Package Ad Campaign)	
RADIO*	
1 X :60 Eng./1 X :60 Fr.	1,600.00
NEWSPAPER	
2 - 800 line B/W Fr.	
2 - 800 line B/W Eng.	12,660.00
*TOTAL (excludes talent payments)	$ 14,260.00
CONVENTION & TRAVEL TRADE	
MAGAZINE	
Convention	
1/2 of double page spread	
(ad already exists)	
Travel Trade	
insertion of overrun of existing publication	2,000.00
TOTAL	$ 2,000.00

BUDGET SUMMARY

PRODUCTION

FISCAL 1984

(cont'd)

*PRODUCTION	$
MAGAZINES	
4/C Bleed Double Page Spread	6,285.00
B/W Bleed Double Page Spread	3,509.00
TOTAL	$ 9,794.00
CONTINGENCY FOR TALENT PAYMENT	29,776.00
TOTAL PRODUCTION	$ 457,486.00
TOTAL MEDIA & PRODUCTION CONSUMER, CONVENTION & TRAVEL TRADE & CORPORATE CAMPAIGNS	$3,349,098.00

*Production costs are estimates only

METROPOLITAN TORONTO

MEDIA PROPOSAL

TOURISM AND CORPORATE CAMPAIGNS

PROJECTED COSTS

FISCAL 1985

METROPOLITAN TORONTO

MEDIA PROPOSAL

TOURISM & CORPORATE CAMPAIGNS

PROJECTED COSTS

FISCAL 1985

MEDIA RATIONALE

Tourism Destination Awareness Campaign (Consumer)

Following the carefully orchestrated consumer launch of the new theme in year one, using radio and newspaper, it is recommended that television be utilized for year two as the ideal medium to further project and enhance Metro's tourism appeal.

Television with its creative flexibility to provide sight, sound and colour and motion, will effectively communicate the "spirit" of Toronto as well as demonstrate Multiple Activities/Attractions in one exposure.

Television enables the campaign to be restricted only to areas of interest with no wastage in that it is a localized medium. Too, schedules can be constructed to reach mass and upscale target audiences with properties such as Sixty Minutes, Movies, News, and Sports, etc.

The combination of television, newspapers and radio will quickly establish in the minds of tourists and local residents, that Metro Toronto is an exciting vibrant city featuring universal attractions and activities appealing to one and all.

As in 1984, it is also recommended that this destination awareness campaign be supplemented by a package ad campaign offering visitors value for their travel dollar. For estimation purposes only, we have tabulated the cost of the 1985 campaign by adding an industry accepted inflationary factor of 15% to the 1984 estimates.

While convention and travel trade advertising will be required, it is difficult at this time to estimate the nature and costs of the campaign, thus the following section dealing with estimate of costs for fiscal 1985 excludes the convention and travel trade area.

Corporate

It is recommended that the list of publications be expanded in year two to include Fortune and Business Week to provide a broader reach of the key business executives in the U.S. It is suggested that the magazine campaign be supported by 1,000 line black and white advertisements in two prestigious U.S. newspapers, The New York Times and U.S. Today (published out of Washington).

METROPOLITAN TORONTO

FISCAL 1985

ESTIMATE OF COSTS

CONSUMER MEDIA (DESTINATION AWARENESS CAMPAIGN)	$
Domestic (Ont & Quebec)	
Newspapers -Quebec - 8 ins - 1000 L B/W	146,824.00
Radio - 60 seconds- Four weeks	183,425.00
Television (30 & 60 - Toronto & Quebec markets)	502,128.00
TOTAL DOMESTIC	$ 832,377.00
U.S.	
Newspapers - 1000 L B/W- 8 ins - 8 markets	691,658.00
Radio - 60 seconds - 4 weeks - 8 markets	441,462.00
Television (30 & 60 - 8 markets)	1,198,125.00
TOTAL U.S.	$2,331,245.00
TOTAL CONSUMER MEDIA DESTINATION AWARENESS CAMPAIGN	$3,163,622.00

METROPOLITAN TORONTO

FISCAL 1985

ESTIMATE OF COSTS

(cont'd)

CONSUMER MEDIA (PACKAGE AD CAMPAIGN)*	$
DOMESTIC Ontario (excluding Toronto) & Quebec	
Newspaper	72,691.00
Radio	151,225.00
U.S.	
Newspaper	279,174.00
Radio	398,475.00
TOTAL DOMESTIC & U.S. MEDIA (PACKAGE AD CAMPAIGN)	$ 901,565.00

* Costs could be reduced by private sector contributions.

METROPOLITAN TORONTO

FISCAL 1985

ESTIMATE OF COSTS

(cont'd)

CORPORATE MEDIA	$
Newspapers (1000 L B/W)	243,743.00
Magazines (4/c bleed -3 magazines)	216,548.00
TOTAL CORPORATE MEDIA	460,291.00
TOTAL MEDIA CONSUMER & CORPORATE	$4,525,478.00

See attached for market lists.

PRODUCTION (DESTINATION AWARENESS CAMPAIGN)	
Television	
Talent Payment	20,000.00
Radio	
Talent Repayment	9,776.00
Shipping	1,001.00
Newspaper	
4- 1,000 L B/W ads (eng & fr)	29,504.00
(PACKAGE AD CAMPAIGN)	
Newspapers	
2 - 800 Line B/W Eng. 2 - 800 Line B/W Fr.	14,559.00
Radio*	
1 - 60-second English 1 - 60-second French (* excludes talent payments)	1,909.00
TOTAL PRODUCTION	$ 76,749.00
TOTAL MEDIA AND PRODUCTION CONSUMER & CORPORATE	$4,602,227.00

N.B. All 1985 costs are estimates only. Difficult to project two years in advance.

METROPOLITAN TORONTO

FISCAL 1985

MEDIA - MARKET LIST

CONSUMER MEDIA	
Domestic (Ontario & Quebec) Newspapers	Montreal (eng & fr) Quebec City
Radio	Toronto Montreal (eng & fr) Quebec City
Television	Toronto Montreal (eng & fr) Quebec City
U.S. Newspapers, Radio & Television	Buffalo, Rochester, Syracuse, Pittsburg, Cleveland, Columbus, Detroit & Chicago
CORPORATE MEDIA	
Newspapers	New York Times U.S.A. Today
Magazines	Fortune Business Week Area Development

APPENDICES

APPENDIX I

LIST OF INDIVIDUALS INVOLVED IN EXPERT INTERVIEWS

(interviews conducted November 16, 1982 to February 1, 1983)

1. Board of Trade ad hoc committee
2. Robert Gardner, author of "Industrial Development in Metropolitan Toronto"
3. Hal Fredericks, Director, Economic Development Division, Planning and Development, City of Toronto
4. W.N. Thomson, Coordinator Industrial Development, City of Scarborough
5. Bruce Davidson, Commissioner of Planning and Development, City of North York
6. Bill Steis, Principal Planner, City of York
7. Don Baxter, Planning Commissioner, Borough of East York
8. Barry Morrison, Commissioner of Planning, City of Etobicoke
9. Jan Bax, Government of Ontario Brussels Office
10. J.V. Wessinger, Government of Ontario, Frankfurt Office of Industry and Trade
11. Charles Bigenwald, Director, Ontario Ministry of Industry and Trade
12. Wayne Crossley, Consultant, Site Selection, Ministry of Industry and Trade
13. Keith Revill, Manager, Technology Development Branch, Ministry of Industry and Trade
14. John Blanchard, Director, Industrial Investment Opportunities Branch, Ministry of Industry and Trade
15. R.S. Macpherson, Manager of Business Information Centre, Industry, Trade and Commerce, Canada

APPENDIX I (cont'd)

LIST OF INDIVIDUALS INVOLVED IN EXPERT INTERVIEWS

(interviews conducted November 16, 1982 to February 1, 1983)

16. Cultural/Arts Community Representatives, including Ministry of Citizenship and Culture, 1984 Festival, O'Keefe Centre, Canadian Opera Company and the Theatre Alliance
17. Bernard Ghert, President & Chief Operating Officer, Cadillac Fairview
18. John Maxwell, President and C.E.O. of the Metropolitan Toronto Convention Centre
19. Robert Malone, Vice President of Marathon Realty

APPENDIX 2(a)

Origin of Travellers to Metro Region and Ontario, 1982

	TO METRO*	TO ONTARIO**
From Ontario	14,038,000(79%)	81,960,000(76%)
From U.S.	2,119,000(12%)	22,308,000(20%)
From rest of Canada	1,077,000(6%)	3,123,000(3%)
From overseas	546,000(3%)	1,081,000(1%)
Total Person/Trips to Metro Region	17,780,000(100%)	108,472,000(100%)

*Metro residents not included.

**Metro residents are included

Metro Region includes Peel County

Sources for Metro statistics: Ontario--Ontario Travel Survey, 1982 MTR, U.S. - Auto Exit Survey, 1973/74 MTR, Rest of Canada -- MTR estimate based on CGOT preliminary data, Canadian Travel Survey, 1982, Overseas - MTR estimate. Sources for Ontario statistics: Ontario Travel Survey, MTR; for U.S. and overseas -MTR estimate and StatsCan catalogue 66-001, for rest of Canada, MTR estimate based on CGOT, Canadian Travel Survey. All figures preliminary, subject to change.

APPENDIX 2(b)

Proportion of Ontario's Visitors Who visit Metro, by Origin, 1982*

From Ontario	17%	$\left(\frac{14,038,000}{81,960,000}\right)$
From U.S.	10%	$\left(\frac{2,119,000}{22,308,000}\right)$
From rest of Canada	35%	$\left(\frac{1,077,000}{3,123,000}\right)$
From Overseas	51%	$\left(\frac{546,000}{1,081,000}\right)$
TOTAL	16%	$\left(\frac{17,780,000}{108,472,000}\right)$

Source: Computation from "Origin of Travellers"

*Based on person trips

APPENDIX 2(c)

Expenditures in Metro Region

1982

Origin	Dollars Spent	% of Metro Total
From Ontario	$ 822 million	55%
From U.S.	$ 244 million	15%
Rest of Can.	$ 210 million	13%
From Overseas	$ 282 million	17%
TOTAL	$ 1.62 billion	100%

Sources: Ontario — Ontario Travel Survey, 1982 MTR

U.S. - U.S. Auto Exit Survey, 1973/74 MTR

Rest of Canada - MTR estimate based on CGOT preliminary data, Canadian Travel Survey, 1982

Overseas - MTR estimate

APPENDIX 2(d)

Reasons for visits by Ontarians to Metro Region, 1982

Visit to friends, relatives	36.2%
Recreation/pleasure	27.8%
Personal Business	15.3%
Other business	9.9%
Shopping	8.1%
Attending conventions	2.8%
TOTAL	100%

Source: Ontario Ministry of Tourism and Recreation, Ontario Travel Survey

APPENDIX 2(e)

Origin of travellers to Metro Region from Ontario, 1982

From Niagara/Midwestern Ontario	40.4%
From Central Ontario	23.3%
From Metro Region	13.8%
From Grey/Bruce, Huronia, Muskoka	10.5%
Other	12.0%
TOTAL	100%

Source: Ontario Ministry of Tourism and Recreation

APPENDIX 2(f)

SOME MARKET INFORMATION FOR U.S. CITIES WITHIN REASONABLE DISTANCE OF METRO

	POPULATION	HOUSEHOLDS	ROAD MILES	FLYING TIME
NEW YORK				
Buffalo	1,222,800	488,600	96	30 min.
Rochester	972,800	350,700	171	40 min.
Syracuse	643,500	229,100	244	
New York	8,991,100	3,514.700	532	75 min.
MICHIGAN				
Ann Arbour	270,500	97,400		
Detroit & Sub.	4,328,900	1,534,400	236	50 min.
Flint	523,400	183,100	258	75 min.
Grand Rapids	614,500	215,800	380	100 min.
Lansing	479,700	165,700	306	100 min.
ILLINOIS				
Chicago/Gary/Kenosa consolidated area	7,899,100	2,802,400	534	80 min.
MASSACHUSETTS				
Boston/Lowell/Brockton/ Lawrence/Haverhill	3,659,200	1,323,800	566	80 min.
PENNSYLVANIA				
Philadelphia	4,698,100	1,665,000	508	70 min.
Pittsburgh	2,239,600	838,700	324	55 min.
OHIO				
Cleveland	1,870,300	700,100	297	
Cincinnati	1,405,800	511,400	562	

* Most population and household figures from Sales & Marketing Management, 1982 Survey of Buying Power, July 26, 1982; population figures include metropolitan areas and suburbs.

Source: MTCVA 1983 Marketing Plan.

APPENDIX 3

PROFILE OF BUSINESS DEVELOPMENT ACTIVITY

BY METROPOLITAN TORONTO MUNICIPALITIES

1982

	STAFF	1982 TOTAL BUDGET	ADVERTISING & PROMOTION COMPONENTS OF BUDGET
TORONTO	11 (7 of whom are professionals)	Business Development $526,000	$28,000
SCARBOROUGH**	1 Professional 1 Support Staff	Business Development $96,000	$21,000
NORTH YORK*	1 Part Time	Planning & Development Budget: $1,500,000 Business Development Component: $100,000 (special projects)	$3,000
ETOBICOKE	1 Part Time 3 Support Staff	Planning Budget: $125,000 Business Development Component: $-0-	$-0-
YORK	1 Part Time	Planning Budget: $460,000 Business Development Component: $-0-	$-0-
EAST YORK	1 Part Time with Support Staff	Planning Budget: $350,000 Business Development Component: under $25,000	$5,000

* North York hired a development officer to implement a new promotional program in 1983.

** Scarborough hired a Commissioner of economic development in 1983.